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Communists Defend Record for Coming Election

AU2903131891 Paris AFP in English 1246 GMT 29 Mar 91

[Nicolas Miletitch report]

[Excerpts] Tirana, March 29 (AFP)—The followers of the late Albanian dictator Enver Hoxha face a tense day of reckoning on Sunday when an election will put their power at risk for the first time since 1946. There are no opinion polls, and 46 years of hard-line Communism have killed the concept of public opinion in a country scarred by food rationing, a ruined economy and the flight abroad of 60,000 people in eight months.

Western diplomats here are divided about the outcome of the two-round ballot, but many of them hold that a victory for the Communists, if tempered by a 40 per cent vote for the opposition, would represent a success for the new reformers.

President Ramiz Alia, successor to the architect of the Albanian experience Enver Hoxha, has forecast: "Most Albanians love the party which has shared their fate for 50 years," he has said. Implying that he would resign as president if the Communists were defeated, he told a press conference on Friday: "I am not a dictator". But he said that "the realisation of socialist ideals" remained Albania's main aim, and he praised the "great transformation" wrought by Mr. Hoxha, while acknowledging that he might have made mistakes.

Mr. Hoxha was the founder of the party which has governed Albania since 1946. His statue in central Tirana was torn down in December by opposition crowds who frequently vilify him as "Enver-Hitler".

One of the leaders of the principal opposition movement, the Democratic Party, cardiologist Sali Berisha, said he was convinced of victory because Albanians "want change".

A member of the human rights opposition Forum, Neshat Tozaj, said: "Ramiz Alia has the sole merit of having so far avoided civil war. But he is not the prophet of democracy in Albania. All of the reforms have been obtained through pressure."

Nearly 1.9 million people out of a population of 3.2 million will vote for a new parliament to write a new constitution and elect a head of state. A total of 1,047 candidates representing about 10 parties, and a few independent candidates, will stand for the 250 seats in parliament. At the last legislative elections in 1987, 100 per cent of the 1,830,652 people entitled to vote supported the unchallenged candidates of the Communist-controled Democratic Front, figures published by the official ATA news agency showed. A single blank ballot form was cast.

The Democratic Party appears to be well supported in the towns and by young people in a country where the average age is 27. But it is not so strong in the countryside where 65 per cent of the people live. It is the only opposition movement to have developed momentum against the Communists, and the other parties are marginal. [passage omitted]

Today the television service allows time to all of the political parties, and every night broadcasts a film explaining to electors how to use the ballot form. The film also explains another innovation, the requirement to vote in the secrecy of a polling booth.

PPSh, Democratic Party Hold Electoral Meetings

AU2803154591 Tirana ATA in English 1300 GMT 28 Mar 91

[Text] Tirana, March 28 (ATA)—The committee of the Party of Labour (PLA) [Albanian Workers Party—PPSh] of Diber District organized a grand electoral rally in the town of Peshkopi. Xhelil Gjoni, secretary of the CC [Central Committee] of the PLA brought to the people of Diber District the most cordial greetings by the beloved leader Comrade Ramiz Alia.

The people of Diber, he said, has been in every historic stage loyal to the cause of the nation. They have always contributed to the nation with their wisdom, maturity and rifle. This wisdom is displayed today in the elections of March 31, seeing to these elections with culture, calmness and order characterizing us, voting for the best sons of the people.

Then Comrade Xhelil Gjoni analysed the program of the Party of Labour as the place the national problem occupies in the program of this party, the problems of the progress and uplift of the well-being of the working masses, the development of spiritual and cultural values.

Speaking of the foreign policy of the Party of Labour, he said that it has aimed at preserving the independence and freedom of the homeland, so that our people live in friendship with the other peoples and states according to mutual interests in the Balkans, Europe, and the world. It has joined all the progressive processes throughout the world which guarantee peace and security. The policy of good-neighbourliness in the Balkans has been and remains unchanged. The line of the Party of Labour has made the stand adopted by our state with regard to the question of Kosovo and all Albanians in Yugoslavia be in compliance with the national aspirations and legitimate rights of all the Albanian people and our beyond borders brothers. Further on he dwelt on some problems of the renovation of the PLA.

In continuation of the activities on occasion of March 31 election campaign, the committee of the Party of Labour in cooperation with the presidency of the Scientific Association of Mat District organized an extended meeting with intelligentsia to analyse the electoral program of the PLA in the economic and social fields .

The representative of the PLA dwelt extensively on some questions of the economic program aiming at overcoming the aggravated economic situation, its stabilization and application of renovating reforms gradually passing onto the market economy combined with the active role of the state. Further on he spoke on the perspectives this program opens to the development of the countryside and agriculture.

The branch of the Democratic Party (DP) [PDSh] for Durres District organized a rally in the stadium of this city. Different speakers said that the Democrats should do everything with determination and cultured attitude because democracy means humanism and justice, wisdom and tolerance, courage and devotion, and above all firm confidence in the people's right. They said among the others that the triumph of democracy in Albania is decisive to bring the country out of backwardness. The Albanian people have displayed their freedom-loving and democratic spirit in the years of the National Liberation War, therefore it is of special importance that democracy triumph in the March 31 elections and to create the pluralist state. We all should unite in order to establish democracy in Albania.

The branch of the DP for the district of Mirdite organized a rally in the center of the town of Rreshen. The speakers at this meeting pointed to the outstanding patriotic and democratic traditions of the Mirdite people. They laid the stress on the need of social tranquillity, tolerance and understanding to see to March 31 elections with dignity and culture. They spoke at the meeting on the perspectives opened to the district and the whole country during the next legislature under the conditions of the new democratic state.

The member of the Steering Commission of the DP spoke of the difficulties our economy is currently experiencing and analysed parts from the program of the Democratic Party concerning the indispensability of privatization both in the city and countryside, the drawing of foreign capitals, the development of business, etc. As for the question on the ownership on land, he said that it can not be sold to the foreigners but only to the local owners.

Presidential Council on Proposed PDSh Rally

AU2803150791 Tirana Domestic Service in Albanian 1430 GMT 28 Mar 91

[Presidential Council communique issued in Tirana on 28 March]

[Text] The Presidential Council met today, on 28 March 1991, in the presence of representatives from the Albanian Workers Party, the Democratic Party [PDSh], the Ecology Party, and other electoral participants and discussed the course of the election campaign so far. It judged that all participants [words indistinct] laws on the elections and the agreements reached among themselves. Those taking part in the meeting were told of the concern been created by the PDSh's insistence on holding at all costs an electoral rally on Skenderbeg Square, regardless of the fact that the state authorities and the forces of order in the capital city, for reasons of security and order, have not issued the relevant permit. The state authorities in the capital have offered the PDSh any place, square, or other location in Tirana for its rally, apart from the main square and Martyrs of the Nation Boulevard.

The Presidential Council and all those attending the meeting considered this attitude on the part of the state authorities to be justified, especially as no other party or participant in the electoral campaign has been given the right to hold a rally in this square. They called on the PDSh to hold its rally in one of the locations offered to it, and not to act in contravention of the law.

Rally Declared Illegal

AU2803173291 Tirana Domestic Service in Albanian 1700 GMT 28 Mar 91

[Statement by the State Authorities of Tirana and the Ministry of Internal Affairs issued in Tirana on 28 March]

[Text] Various political forces in the country have asked to hold rallies on the threshold of the elections in the main square of the capital. Because of the tense situation in which we are living, which could become a pretext to obstruct people's going calmly and freely to the democratic and pluralist elections of 31 March, and because of the fact that this square and the main boulevard have witnessed bitter events and confrontations in recent months, the state authorities and the bodies for the maintenance of order have not given permission for such rallies to be held on this square.

The Democratic Party [PDSh] is continuing to insist on organizing a rally there, even though the reasons for not doing so have been made clear to it, and the party has been offered other locations and squares in the capital city for holding its electoral rally. Despite the explanations that have been made, the PDSh has posted invitations asking its supporters to gather on 29 March.

The state authorities and those for the maintenance of order inform citizens that any assembly on Skenderbeg Square and Martyrs of the Nation Boulevard is illegal. The forces of order have received orders to rigorously enforce the law on gatherings, assemblies, and demonstrations. The state authorities and those favoring the maintenance of order call to the country's political forces to avoid organizing and holding rallies in Tirana's main square and boulevard until the elections are over.

New Venue for Rally Determined

AU2803194791 Tirana Domestic Service in Albanian 1900 GMT 28 Mar 91

[Statement by the Managing Committee of the Democratic Party's Tirana branch issued on 28 March; place not given]

[Text] The Democratic Party [PDSh] informs the people of Tirana that its rally planned to take place in Skenderbeg Square at 1700 tomorrow will take place in Democracy Square at the same time and with the same program, because permission [for the original rally] was not given by the relevant authorities.

Democratic Party's 'Vote-Catching' Deplored

AU2803173991 Tirana ZERI I POPULLIT in Albanian 21 Mar 91 p 1

[Spiro P. Gjoni article: "The 'Diplomacy' of Votes"]

[Text] The establishment of diplomatic relations between Albania and the U.S. was welcomed by our public at large and Albania's many friends throughout the world.

Strangely, the Democratic Party [PDSh] portrays this event as its own almost historic victory, although the party's history is a very short one of only a few months. As is well known, the idea of establishing these relations was presented at the 10th Albanian Workers Party [PPSh] Central Committee plenum, which led to a series of talks between representatives of the two governments. At that time, the PDSh was not yet born. In their impatience, however, the PDSh's leaders and supporters have forgotten this fact, along with many others, and in recent months have said and written that Albania is isolated, that the world has no faith in the democratizing processes undertaken in our country, that Europe and the U.S. will not help Albania as long as the PPSh is in power, and still less before the 31 March elections, etc., etc. Nevertheless, diplomatic relations between the two countries were established. The PDSh would have liked several more weeks to pass, at least a few, before this historic step was taken. The PDSh would have liked the 31 March elections to be held, on which it has pinned its hopes of assuming power, and on the basis of this wishful scenario would have had the right to trumpet this event as its own. As is evident, however, no attention was paid to it. The two governments made realistic judgements. Nobody asked about the vote-catching fever that has gripped the PDSh on the threshold of 31 March. The major steps toward democracy taken in Albania, especially in recent months, and the serious efforts to stabilize the situation and overcome the economic difficulties are the factors leading to the decision to establish diplomatic relations between Albania and the U.S. at this moment.

The entire world is watching political developments in Albania today, and is persuaded that the voting on 31 March will be entirely free. The world, therefore, does not make its relations with Albania conditional on the results of these elections. The steps of rapprochement and cooperation between our country and many countries of the world is obvious and is occurring every day. Everybody around us who is well disposed toward us is convinced and can clearly see that the processes of democratization in Albania are irreversible. That is why I say to the PDSh that diplomacy cannot be conducted for vote-catching purposes.

PDSh's Berisha Speaks at Peshkopi Rally

AU2803205591 Tirana Domestic Service in Albanian 1900 GMT 28 Mar 91

[Text] The Democratic Party [PDSh] organized an electoral rally in Nazmi Rushiti Square in the town of Peshkopi. Members and supporters of the PDSh took part. PDSh Managing Commission Chairman Sali Berisha and other friends were also present. The rally was opened by PDSh District Branch Secretary Mirush Mati. In his speech, Branch Chairman Safet Zhulani focused on the calm and regular conduct of the free and democratic elections of 31 March. Hafiz Salih Terhat Hoxha, grand mufti of Albania, greeted the rally on behalf of the Albanian Islamic Community. The journalist Kamber Faruku, Mustafa Nazari, and Shkelqim Hoxha then greeted the rally.

PDSh Managing Commission Chairman Dr. Sali Berisha took the rostrum at the rally. Among other things, he said that Diber, birthplace of Skenderbeg, who stemmed the Turkish onslaught on Europe for 25 years, Diber of the democrats Vehbi Dibra, Nikolle Kacorri, and Elez Isufi, Diber of struggle and labor, will vote for democracy on 31 March.

The program of the PDSh, he said, expresses the aspirations of the nation, making the people the masters of the country. The PDSh will announce a policy of national conciliation, socially and economically rehabilitating all those who have been sentenced. Our movement is an opposition movement, but is fraternal. The message to our people will be harmony and social peace.

Speaking about the Albanian diaspora, Dr. Sali Berisha stressed that the PDSh will defend the rights of the Kosovar people, the union of Albanian territories, and the resources of the entire diaspora, within the framework of European integration.

PDSh Holds News Conference; Berisha Speaks

AU2803213091 Tirana Domestic Service in Albanian 2100 GMT 28 Mar 91

[Report on news conference by Dr. Sali Berisha, chairman of the Democratic Party's Managing Commission, with unidentified foreign and domestic reporters in the Palace of Congresses on 28 March]

[Text] Replying to questions, Sali Berisha, chairman of the Democratic Party's [PDSh] Managing Commission, first discussed his meeting today with the Presidential Council in connection with the party rally planned for Friday [29 Mar].

Asked by journalist David Binder who he thought would be the republic's next president, Dr. Sali Berisha said that this is a task for the new legislature that will be created. He also stressed that the next legislature will have the highly important task of approving a new

constitution that will respond to the changes that have taken place in Albania with the establishment of a multiparty system.

Dr. Sali Berisha also replied to questions about the PDSh's economic program and the depoliticization of the Army and the Interior Ministry. He emphasized that the PDSh takes the view that for the sake of national unity the files should be closed, a view with which former political prisoners also agree.

Asked about the Cam problem, he said that the PDSh respects the Helsinki documents on the inviolability of borders, but it defends the rights of the Cam population in accordance with well-known international principles.

Republican Party's Godo Speaks to Electors

AU2803154691 Tirana ATA in English 1051 GMT 28 Mar 91

[Text] Tirana, March 28 (ATA)—The branch of the Republican Party for Berat District organised a meeting with electors of the Election Precinct No. 3.

Attending as invitees were the vice-president of the Republican Institute on International Questions of the U.S.A., Robert Henderson; the former U.S. congressman of Albanian origin, Joseph Dioguardi, who have come to our country to follow the elections of March 31.

The chairman of the Initiating Commission of the Albanian Republican Party, Sabri Godo was put up as candidate for deputy to the People's Assembly for this precinct.

Then the floor was taken by Sabri Godo. The Republican Party, he said, proved within a short period of time its indispensability in the democratic processes. Its proposals on a series of questions such as the creation of a presidential council and working government, on the figure of Enver Hoxha's personality, its actions on the exodus in Italy, are applied and have given an impulse to the actual democratic processes. Further on, he pointed out that the Republican Party is of the opinion that the country may come out of backwardness it is in through work and that nothing will come from heaven.

Speaking of the countryside, Sabri Godo said that the land belongs to none of [the] governments, it is nobody's estate, therefore it cannot be sold as it is a property of the whole nation.

Then he dwelt on problems of foreign policy, underlining that the republican party is against monarchy, against Zogu and adventurers, smugglers as Leka Zogu.

The meeting was greeted by the former U.S. congressman of Albanian origin, Joseph Dioguardi. He appreciated the March 31 elections as an historic moment for Albania, which are expected with interest by the world and the Albanians abroad.

Turkish TV Interviews Alia on Democratization

TA2803201191 Ankara TRT Television Network in Turkish 1700 GMT 28 Mar 91

[Interview with Presidium Chairman Ramiz Alia by Turkish Radio and Television reporter Ufuk Tuncoz in Tirana; date not given—recorded; Tuncoz in French and Alia in Albanian with superimposed translation into Turkish]

[Text] [Tuncoz] As the highest-ranking official in Albania, what is your opinion on recent developments in your country?

[Alia] Albania is going through a democratization process in the political, economic, and social fields. Our goal is to open a new perspective in the country's development and to expand democratic rights in the economic and human fields. We are also taking collective and individual ownership into consideration in line with Albania's economic interests. Democratization calls for a pluralistic system, extensive political activities, the establishment of new parties, and the emergence of new administrators. Undoubtedly, this is not easy. The democratization process is a natural outcome of Albania's development. As in every new movement, there will be ups and downs. There might be unexpected developments, but the democratization process is generally following its normal course in Albania.

[Tuncoz] A general election will be held on 31 March. Do you think you can preserve your impartiality as president as well as leader of the ruling communist party [Albanian Workers Party]?

[Alia] I would especially like to state that the communist party, of which I am the leader, initiated the current democratization process. In other words, no one forced this path on us. We chose it because we believe it is the only path for the future of the country in line with current world developments. We allowed the formation of new opposition parties. We enabled free general elections. Our party will be honest and fair. I, being the president of Albania and the leader of the party, would like to state that I will remain impartial and that I am being extremely honest.

[Tuncoz] We have the honor of your presence for the first time on Turkish Television. Do you have a message you want to convey to Turkey?

[Alia] The Albanian people are undoubtedly sympathetic to Turkey and the Turkish people. We have common traditions that bring us closer together. I met with President Ozal. It was as though I was meeting a long lost friend. We understood each other very well. I perceived that Ozal is a friend of the Albanian people. I assure the Turkish people, its administrators, and especially President Ozal that the Albanian people will always be a reliable and real friend of the Turkish nation.

Army Praised for Supporting Democratic Process

AU2803200791 Tirana Domestic Service in Albanian 1900 GMT 28 Mar 91

[Text] The residents of the town of Delvine and its surrounding villages attended a rally in the town center in support of the Albanian Workers Party's [PPSh] electoral program. Speaking at the rally, People's Defense Minister Comrade Kico Mustaqi appreciated the ardent love of the people of Sarande District, both Albanians and members of the minority, for the PPSh, which organized and won the National Liberation War and ensured the country's thorough development, and which is the initiator, inspirer, and performer of the democratic reforms undertaken in our country in all fields of life. The Army, he continued later, is with the people, just as in the years of the War. It lives alongside them in sincere mutual love. It supports all the democratic processes that are taking place and deepening every day in Albania. Military personnel, soldiers, and officers are among the most ordinary sons of the people. They have one privilege and only one, that of devotedly serving mother Albania. The Army's guiding compass remains as ever the homeland's freedom, independence, and sovereignty, and the orders of commander in chief Comrade Ramiz Alia. It bears in mind the fact that there may be many parties, but there is only one homeland. The PPSh has given the Army this lesson, and the Army does not forget it for a single moment.

Nano Holds News Conference, Discusses Policies

AU2803154191 Tirana ATA in English 0909 GMT 28 Mar 91

[Text] Tirana, March 28 (ATA)—On March 27 afternoon the chairman of the Council of Ministers of the PSR of Albania, Comrade Fatos Nano gave at the Press Center in the capital a press conference for the journalists of our press organs, ATA, RTV [Radio and Television], the representatives of the newspapers, agencies, and radio and TV of the foreign countries who are in our country. Present were also representatives of the foreign embassies accredited in our country.

Answering the question on what does he think about the way out from difficult economic situation, the Premier Fatos Nano pointed out that the new situation of political pluralism in Albania is unfortunately associated with the departure from the production and the daily works. If the appeal of the political parties for the people's engagement in work would be evaluated, then, he said, there would be other results in the economy.

Naturally, he said, in coping with the current situation we have accounted as any government in every country of the world, also the aid embodied in the economic cooperation with the other states. We hope that this difficult situation will improve.

Explaining the key moments of the economic reform he underlined that gradual privatization checked by the juridical state will make up a basic direction in solving many economic problems. The package of the laws on privatization is already concluded.

Answering the questions whether the various countries have imposed or will impose political conditions on the coming cooperation with Albania, Fatos Nano said that no such conditions are imposed on us by any foreign government. In general, he added, these governments have informed us that what is important to them is the setting up of the pluralist parliament as well as the guarantee of the freedom of the March 31 elections.

Responding to the question how does the Albanian Government see to the possibility of leading the country towards the European Community, he pointed out that Albania will march towards Europe by reforming itself.

Responding to the question of the Israeli reporter regarding the possibility of establishing diplomatic relations with Israel, the premier said among other things that we wish and will work to set up bridges of friendship and cooperation with all the countries respecting the Albanian people.

Fatos Nano aired his thought that the chairman of the Presidium of the People's Assembly, Ramiz Alia, the most completed personality and who represents with dignity the symbol of the national unity, will be the coming president to be elected by the new parliament.

Regarding the question whether there are still political prisoners in Albania he said that from this category which in the language of justice is described as "prisoners of conscience " there are no more in Albania.

Regarding such crimes as sabotage, terrorism, espionage against the country's stability, he said that they are punished in every country of the world, and even gravely.

The Premier Fatos Nano officially refuted the speculations on abnormal built up of military forces around the capital. Concerning the military contingent deployed at the Durres port, he said that this serves as a defender of democracy and not on the contrary.

Cameria Association Publishes Newspaper

AU2803154491 Tirana ATA in English 1329 GMT 28 Mar 91

[Text] Tirana, March 28 (ATA)—The first issue of the newspaper "CAMERIA—VATRA AMTARE" [CAMERIA—MATERNAL HEARTH], organ of the Political Patriotic Association "Cameria" came off the press.

Today's editorial written by Bashkim Kucuku is entitled "Patriotic Assembly." This newspaper carries also an extended correspondence on the proceedings of the first national conference of the Political Patriotic Association "Cameria."

Amongst others it carries the greetings it has received on occasion of the appearance of the first issue, written by Prof. Dhimiter Shuteriqi, Prof. Zija Cela, the writer

Andrea Varfi, and the chairman of the Committee of Culture and Arts Moikom Zeqo, through which they wish success to the newspaper for the noble goal it has set to itself.

Alia Receives U.S. Senator DeConcini

AU2803150591 Tirana ATA in English 0859 GMT 28 Mar 91

[Text] Tirana, March 28 (ATA)—On March 27, the chairman of the Presidium of the People's Assembly, Comrade Ramiz Alia, received at the seat of the Presidium of the People's Assembly the group of U.S. senators and congressmen headed by Senator Dennis DeConcini, chairman of the Helsinki Commission on Security and Cooperation in Europe, and had a warm and friendly talk with him.

The President Ramiz Alia briefed the U.S. guests on the processes of the democratization of life in Albania in all fields. He told Mr. DeConcini that this process in Albania has progressed at fast rates but naturally carefully and maturely. Important steps have been marked since the last meeting with the U.S. senator in August last year. Now we may say, Comrade Ramiz Alia underscored, that in Albania everything is in conformity with the international standards and I think conditions have been fulfilled for Albania's full membership in the Conference on Security and Cooperation in Europe. Your visit here at these moments, Comrade Ramiz Alia said to Mr. DeConcini is of great importance. Albania is now in a new situation, the multiparty system is created, new steps in the field of legislation, of economy, in the field of human rights have been undertaken, etc. Then Comrade Ramiz Alia acquainted the U.S. guests with the election campaign which is being conducted calmly and which will be conducted in equal, secret and free democratic conditions and where the people will manifest their free will and will elect the people they wish.

Speaking of the reestablishment of the diplomatic relations between Albania and the U.S.A., Comrade Ramiz Alia said that I see with optimism these relations and both parties will work to fill in as soon as possible the gap, finding quick ways without protocol in all fields. In this respect the Albanian community in America, which is patriotic towards Albania and honest citizen of America, has made and will make its contribution. There is no unsolved problem between our two countries, President Ramiz Alia said. It is of interest for us to draw the U.S. capital and of the Albanian- American capital in Albania.

After thanking for the invitation extended to attend elections in Albania, the U.S. Senator DeConcini appreciated the process of democratization in Albania and the achievements marked in various fields. I am happy, Mr. DeConcini said, that you are the initiator of these changes. In the meeting we had together in August last year you were committed in immense changes and now I am eye-witnessing them. You are adopting right decisions in every field. You are adopting correct decisions in every field.

Under your leadership, the U.S. senator said further on, we are witnessing monumental changes and this makes me feel profound respect for you. You are a genuine reformer of your country and you are making everything in service of your people. Human rights, Mr. DeConcini continued, are yielding fruits in every field. We are fully confident that after the elections Albania will be a worthy partner in the Conference on Security and Cooperation in Europe. With regard to the U.S.-Albanian relations, Mr. DeConcini said that we are ready to work together and there are many fields in common. Attending this reception was also the minister of foreign affairs, Muhamet Kapllani.

BSP, SDS Debate Current Political Issues

AU2803172491 Sofia DUMA in Bulgarian 22 Mar 91 p 2

[DUMA report: "Bulgarian Socialist Party Does Not Insist on September Elections"]

[Text] The importance of deadlines for the upcoming elections should not be exaggerated, Andrey Lukanov, deputy chairman of the Bulgarian Socialist Party [BSP] Supreme Council, stated in last night's television debate with Filip Dimitrov, chairman of the Union of Democratic Forces [SDS] Coordinating Council. It is our conviction that the legislative elections should be held after the Grand National Assembly has accomplished the task for which it was elected in the first place, namely the drafting of the new Constitution and the adoption of certain fundamental laws, Lukanov added. We should also wait for the reform to produce some substantial results.

Dimitrov pointed out that changing the system is the primary goal of the SDS. In his opinion the legislative majority of the BSP is deliberately speeding up, or slowing down work whenever it serves its advantage. The legislative proceedings have turned into an endless haggling for compromise. Dimitrov accused the BSP of being ready to provoke the disintegration of the legislature at any time, while the SDS adheres to the deadlines pointed out in the political agreement.

Fixing dates for the next elections is no guarantee that the legislature would work at a normal pace. Guarantees are provided by other facts, namely by political good will, efficient methods of work, and effective selection of priorities, Lukanov explained on behalf of the BSP. He also categorically confirmed the fact that he is a citizen of the Republic of Bulgaria, despite the untruthful rumors, which in addition to the allegations about his numerous country estates and bank deposits worth millions, accused him of being a foreign citizen [a Soviet citizen on account of being born in the USSR].

BSP Daily Denounces SDS Crisis Declaration

AU2803153891 Sofia DUMA in Bulgarian 22 Mar 91 p 6

[Text] On this page we are publishing a "Declaration of the SDS [Union of Democratic Forces] Coordinating Council" that was submitted to us by some deputies, members of the SDS legislative group. As far as we know, the declaration was discussed within the legislative group and rejected by its majority.

We are convinced that the declaration is of great interest for our readers, considering that it undoubtedly plays an essential role in the efforts of certain right-wing SDS circles to provoke a legislative crisis. Everything shows that numerous actions that took place last week were inspired by the aforementioned declaration and by some of the specific ideas it contains. After trying to put the whole blame upon the Bulgarian Socialist Party [BSP] and its deputies, the declaration is aimed at undermining social peace and disrupting normal legislative activities. In this commentary we do not intend to interpret the declaration line by line, because it is quite outspoken in its most substantial passages. The subversive intention transpires in particular from the various proposals to the Grand National Assembly and to the political forces in the legislature that unequivocally call for a dissolution of the legislature. This means an effort of totally paralyzing the legislative power and of transferring political life from the legislature to the street.

The very fact that the declaration was not signed by the Green Party and was not approved by the majority of the opposition forces in the Grand National Assembly shows that common sense has prevailed over the destructive emotions on this occasion. Only inveterate extremist forces are capable of seeking political solutions through similar documents.

We hope that all those who carefully read the declaration of the SDS Coordinating Council will perfectly realize the great danger that threatened Bulgarian political life over the last week. Naturally, our readers will also worthily appreciate the calm and common sense manifested by the Socialist deputies in reaction to the intentional efforts of sabotaging the debates on the Credentials Commission's report.

Prosecutor's Statement on Land Seizures

AU2903102091 Sofia BTA in English 2107 GMT 28 Mar 91

[Text] Sofia, March 28 (BTA)—The Office of Bulgaria's Prosecutor General has established with great concern that in many parts of the country people are taking illegal possession of pieces of land claiming they had belonged to their parents or relatives and were later confiscated by the former regime. There have been cases of damaging plantations and crops, of conflicts and encroachment, it is said in the statement of the Office of the Prosecutor General presented for publication to the BTA.

The Bulgarian Parliament adopted the Arable Land Ownership and Use Act which guarantees the rights and the lawful interests of all Bulgarian landowners, it is explained in the document. The terms under which the confiscated land should be practically restored to its former owners are set down in the act by taking into account the present realities. To safeguard the interests of the citizens, the act provides for setting up land commissions and other authorized bodies. The commissions should carefully study all applications and land certificates in strict compliance with the prescribed procedure to establish if the applications are grounded and work out the plan for the actual division of land. Landowners can be brought within their occupancy only when the respective commission's decision comes into effect and after the harvest, except for the cases when the landowners pay compensation for it.

To avoid any similar unpleasant incidents and to guarantee security and social order, the Office of the Prosecutor General warns all citizens that any act of land encroachment is considered unlawful under the provisions of this country's law. Legal proceedings will be instituted against offenders provided sufficient evidence is collected and they will be held responsible for the damages caused.

The local administrations, as well as the farm property protection bodies, should exercise their legal powers to prevent any encroachment on land and other property forming part of it.

National Assembly Approves Income Tax Law

AU2803193391 Sofia DUMA in Bulgarian 11 Mar 91 pp 1, 2

[Violeta Simeonova and Dora Chichkova report]

[Text] Monthly incomes of 450 leva or less received by persons as remuneration for occupying a post or working under a labor agreement will be free of tax. Labor incomes in the band between 450 and 600 leva will be taxed at a rate of 20 percent. The tax rate on incomes up to 2,000 leva will be 30 leva plus 24 percent of the amount in excess of 600 leva, and so on. The rate for the income band above 20,000 leva is 40 percent.

The Grand National Assembly decided the above at its session held on 21 March, bypassing the second reading of the Law on Additions and Amendments to the General Income Tax Law. The law is an interim one, and will remain in force until a new law on taxation is adopted.

The aforementioned tax scale, and the scale for taxing the annual income of persons who pay no tax on working income under the aforementioned procedure were the most hotly disputed issues during yesterday's debates.

According to Yanaki Stoilov and Stefan Stoilov, however, it would be socially just to raise the maximum tax rate to 50 percent, simultaneously reducing taxation on lower incomes. The main argument presented by Stoilov was that in the economic situation facing us now, a high income is not always synonymous with a high level of creative and commercial activity.

In answer to a question from member Dragomir Draganov, Ginyo Ganev, deputy chairman of the Grand National Assembly, stated that a decision has been made to supply the information on members' files first to the leaderships of the legislative groups, and then to consider the information at a closed plenary session of the assembly.

Decree No. 1,094 on intellectual stimulation was repealed almost in totality. Until a new law on intellectual stimulation is adopted, only certain provisions will remain in force that relate to awards to foreign citizens for special services to the Republic of Bulgaria. The chairman (president) of the Republic will be able to bestow the "Stara Planina" and "Madara Horseman" Orders and the "Order of the Rose."

The proposal concerning a temporary moratorium on making redundant or dismissing from their jobs unmarried mothers, widows, divorced parents with children younger than 18, and spouses whose partners are already out of work was not accepted, but returned to the commissions for further consideration.Ministers Maslarova, Mateev, Spirov, Pushkarov, Mutafchiev, and Fotev gave replies to questions on current issues.

February Cost of Living Data Reported

AU1903153691 Sofia TRUD in Bulgarian 13 Mar 91 p 1

[Text] According to a study conducted by the Institute of Trade Union and Social Research and the Confederation of Independent Trade Unions in Bulgaria, the prices index is substantially exceeding the agreed limit.The Institute of Trade Union and Social Research, jointly with the Confederation of Independent Trade Unions in Bulgaria, carries out regular independent studies of changes in prices and minimum social subsistence costs [sotsialniya minimum], in parallel with and separately from the state organs. The following table presents the results of the last monitoring exercise carried out on 28 February 1991.

Indexes of Consumer Prices and Costs (Minimum Social Subsistence) Per Capita for Month Ending 28 February 1991

Description of group of goods	Costs (minimum social subsistence) per capita for month, leva	Indexes:	
		1989 base equals 100	December 1990 base equals 100
A. Food goods (total)	454.61	584.94	278.79
1. Meat and meat products	105.45	588.56	439.27
2. Fish and fish products	6.06	1,181.49	319.32
3. Eggs	12.28	676.92	440.00
4. Milk and dairy products	63.64	699.43	697.84
5. Fats	8.97	395.50	352.13
6. Bread and bread products	36.19	509.29	393.90
7. Flours, pulses, prepared and semi-prepared foods	13.90	423.22	241.55
8. Fresh and canned vegetables	62.65	1,053.77	231.73
9. Fresh and canned fruit	13.89	495.04	151.04
10. Sugar and confectionery products	22.93	468.58	235.27
11. Coffee, cocoa, tea	11.02	537.61	91.16

Indexes of Consumer Prices and Costs (Minimum Social Subsistence) Per Capita for Month Ending 28 February 1991 (Continued)

Description of group of goods	Costs (minimum social subsistence) per capita for month, leva	Indexes:	
		1989 base equals 100	December 1990 base equals 100
12. Spices	1.48	757.46	181.62
13. Drinks and tobacco products	58.86	488.69	216.93
14. Food and drink in public catering establishments	37.47	458.31	171.61
B. Clothing and footwear	58.04	308.15	175.46
C. Housing, rents, heating, water, electricity	38.46	366.95	329.16
D. Household goods, furnishings, etc.	80.46	557.05	269.37
E. Transportation and communications	69.79	516.34	346.75
F. Hygiene and health	17.70	324.87	182.80
G. Education and leisure	72.72	345.59	195.72
H. Personal items, voluntary and obligatory payments	14.80	137.42	118.65
Nonfood goods (total):	351.86	372.36	230.85
Grand total:	823.90	470.28	255.95

The figures show that during February the price indexes have exceeded the agreed limit which triggers new talks on compensation payments. Accordingly, the Tripartite Commission on Coordinating Interests is opening new negotiations on this issue today.

For the first time in this country, preparations are being made to publish within the next few days data on territorial prices indexes and minimum social subsistence costs in individual regions and larger towns.

We will publish a detailed commentary on the results of this study in a later issue of TRUD.

Popov, Kostov Review Economic Reform

AU2803174791 Sofia DUMA in Bulgarian 22 Mar 91 p 2

[Evgeni Ivanov report]

[Text] We have two months to halt the decline in production and return to firm ground. During this period we have to learn how to survive in market conditions, otherwise the reform will be sorely tested, stated Finance Minister Ivan Kostov at a meeting held on 21 March between members of the government, economic managers, bankers, and representatives of private business and the trade unions. The meeting was chaired by Prime Minister Dimitur Popov.

In Kostov's view, the high interest rates, the desire to balance the state budget, and the fall in the dollar exchange rate all form part of the government's anti-inflationary measures. He said that these measures have not yet been fully implemented, and for this reason it is too early to give free rein to the enterprises and companies to pursue the economic hare. Presently, the course of the economic reform depends on one main thing—patience. If we relax the conditions for the enterprises now, said Kostov, we run the risk of having to take more severe measures later.

For their part, the representatives of the country's business circles who spoke called for a restructuring of company debts and for more advantages conditions for importing and exporting goods. In their opinion, the present cabinet must create conditions to ensure that privatization is a natural, not an administrative process. They appealed to the government representatives to further reduce the taxes and duties on production and trading activities.

Assembly Discusses Measures To Cut Unemployment

AU2803203591 Sofia DUMA in Bulgarian 22 Mar 91 p 2

[Text] At its meeting on 21 March the government discussed measures for making changes regarding working time and creating new jobs, with a view to increasing employment and reducing social pressure.

It is planned to create possibilities for the following: more shift work, lengthening the working day, hourly work after the end of the established working day, hourly paid work on a part-time basis, working at home, working on commission and in response to calls, and seasonal employment.

A program already exists to encourage the creation of new jobs in so-called small-business. More people are expected to enter agriculture, light food industries, trade, and tourism.

Unemployment should also be reduced by concluding agreements on the export of manpower. A new feature is that such agreements may be signed at the regional and company level.

The proposals to increase labor employment exist at the moment only in outline, but before 10 April the ministries must prepare specific proposals in conformance with the conditions at the various enterprises. By the same deadline, legislative changes will be proposed to ensure the implementation of the measures.

The labor exchange is also due to start operating before 10 April. It is not functioning at the moment due to the lack of suitable offices.

On 21 March the government also adopted in principle a bill on protection of competition, which will be submitted to the legislature after specific changes have been made.

Zhivkov, Balev Unable To Pay Defense Attorneys

AU2903101891 Sofia BTA in English 2115 GMT 28 Mar 91

[Text] Sofia, March 28 (BTA)—On Monday the defendants Zhivkov and Balev may be left without their defence. The reason for this, given by the lawyers here today, is that their clients do not have the money to pay them, as their funds have been either blocked or confiscated.

"We cannot afford to be altruists at the expense of our bread," one of the lawyers said. Another lawyer added that according to the normative documents and the contract concluded with Zhivkov, the defence has neither the right nor the obligation to continue its participation in the trial.

Today's hearing of the Zhivkov-Balev trial revealed that the funds of the former dictator sufficed to pay his lawyers' fees up to February. The fees amounted to 2,000 leva. His long-serving associate Milko Balev told journalists that so far he has paid almost nothing to his lawyer.

Zhivkov's defence raised the question of the 41,000 leva confiscated from the home of the defendant's granddaughter. According to the lawyers this sum belonged to Zhivkov and was left to cover everyday expenses. They described this act as illegal.

Zhivkov's and Balev's lawyers associated their clients' financial problems with a much more important question—that of the inadmissible selective approach shown by the prosecution to the evidence presented before the court. They protested against the exclusion of 38 of the 108 volumes of evidence collected during the preliminary investigation. "This is an exceptional case in legal practice," they said.

Prosecutor Krasimir Zhekov explained that the evidence which had been excluded was irrelevant to the charges raised at this trial. Some of the volumes are at the Armed Forces Prosecutor's Office in connection with charges related to crimes committed in the so-called regenerative process and the remaining volumes are at the Sofia Prosecutor's Office because the evidence included in them treats questions related to the unlawful construction of summer houses and residences and to the unearned incomes of Zhivkov's relatives.

It is not the prosecution, but the financial authorities that are responsible for the blocking of the funds. Mr. Krasimir Zhekov asked the lawyers to specify in which of the missing volumes there is relevant testimony on this case, so that the evidence may be attached to it.

The court will pass its judgement on the requests that have been made on April 1, when the hearings on the trial will be resumed.

Free Apartment Issue Raised

AU2903102891 Sofia BTA in English 2231 GMT 28 Mar 91

[Text] Sofia, March 28 (BTA)—A month ago the former Bulgarian dictator Todor Zhivkov told the court that the money given to the top party and state nomenklatura was not a "privilege," but a "government technique." Today a representative of the Actors' Guild elaborated on this "technique," by adding to its methods the "apartment policy" of the former No.1 and his office.

"We were given everything bit by bit, so that they could hold us in their hands," said the famous Bulgarian comedian Georgi Mamalev who had obtained housing thanks to Zhivkov's assistance.

Film director Khristo Piskov who was "under quarantine" for ten years also testified at the Zhivkov-Balev trial. Mr. Piskov has suffered a lot for two of his films which were banned. Having tried to get a place to live in for thirty years, Khristo Piskov finally turned to Zhivkov for help. The director was given a large flat from the Bulgarian Film Industry Organization, but the inactivity he was forced into had drained his pocket and he could not afford to buy it. Zhivkov was "noble" enough to offered him to exchange the big flat for a smaller one, which Piskov actually did.

In court Mr. Piskov read a document issued by the poet Pavel Matev, former chairman of the Committee for Culture, in which the film director was charged with carrying out "dangerous activities." The document says that feature films should be made only by people who are capable of providing a "true to life" depiction of their country's history.

Mr. Mladen Kiselov, chief artistic director of the Satirical Theatre, who had obtained a flat in the same way, told the court that it is the system to blamed for such actions. "It was impossible for me to be adequate in my profession living in a single room. So I had to choose: either beg for a flat or accept the offers for working abroad," he said.

First Portion of IMF Loan Received

AU2803135291 Sofia BTA in English 1317 GMT 28 Mar 91

[Text] Sofia, March 28 (BTA)—The first portion of 107 million U.S. dollars granted by the International Monetary Fund to Bulgaria arrived in late March. The second portion of this county's quota of 310 million SDR [special drawing rights] will be received after the budget is updated in April. The IMF credit has been deposited with Japanese banks.

The National Bank of Bulgaria fixed the authorized capital for new commercial banks at 50 million leva, half of which should be deposited with the National Bank.

Foreign banks wishing to open subsidiaries in Bulgaria should have an authorized capital of 20 million U.S. dollars that should be deposited with the National Bank of Bulgaria upon the registration of the subsidiary.

The Board of Governors of the National Bank can alter the authorized capital of the new banks in compliance with economic changes, the official bank announcement states.

Military companies subject to conversion have been granted credits to the tune of 1,800 million leva, the bank announced. These companies have deposited an amount equal to 80 per cent of the credits with the bank.

Industry Ministry on Companies' State Debts

AU2803152791 Sofia BTA in English 1455 GMT 28 Mar 91

[Text] Sofia, March 28 (BTA)—The debt of the Bulgarian enterprises to the state is to the tune of 40 billion leva. The remission of debts mentioned in the press is a utopia, representatives of the Ministry of Industry, Trade and Services stated at a press conference. The ministry's experts are analysing in detail all credits and are seeking ways for settling the problem. Special commissions have been set up at each enterprise comprising of representatives of the Ministry of Industry, Trade and Services, the bank creditors and the respective enterprise, they are expected to work out a variant of converting the debts: through rescheduling, partial remission or through the crediting banks' buying up part of the debts against property.

Import Duty on Certain Goods Abolished

AU2803141791 Sofia Domestic Service in Bulgarian 1400 GMT 28 Mar 91

[Text] Today the government approved a list of raw materials and goods for which the import duty of 15 percent is to be abolished. Until now, the duty was calculated on the basis of the leva equivalent of the foreign currency spent to ensure their delivery.

The list includes raw materials that are not produced in Bulgaria but are needed for the national economy, all medicinal drugs, food products, and goods supplied in payment for credits granted by Bulgaria to other countries.

Demographic Data on Ethnic Turks Discussed

AU2803153291 Sofia DUMA in Bulgarian 22 Mar 91 p 1

[Boryana Buchvarova report: "Demographic Experts Confirm That the Number of 'Turks' in Bulgaria Will Not Increase to One Million"]

[Text] The National Institute on Demographic Problems, in its recent forecasts, pointed out that the number of "Turks" in Bulgaria will hardly be more than 680,507 by 2004. This is expected to be their approximate number provided that the demographic processes related to this group should follow the same trend as in recent years. Nevertheless, according to a confirmed trend, the demographic processes involving the Bulgarian population usually affect the "Turks" in the same manner, but with a 10-15-years delay. Considering that rate of growth of the Bulgarian population is declining, it can be assumed that the number of "Bulgarian citizens with a Turkish ethnic self-awareness" will be no more than 627,728 by 2004.

In certain areas, such as Kurdzhali for example, the "Turks" definitely prevail, Professor Chavdar Kyuranov stated at yesterday's meeting of the Legislative Commission on Demographic Problems.

The forecasts are based on the conclusion that 639,000 "Turks" lived in Bulgaria in 1989.

If this figure should be confirmed by the forthcoming census, we shall be in conflict with certain official views, according to which approximately 1.5 million Turks are living in our country, Petko Simeonov, the chairman of the commission pointed out. He proposed that foreign observers should be invited for the census so there should be no reproaches for manipulation. He stressed that he has no reason for questioning the aforementioned figures.

The most recent statistical data on the ethnic origins of the population date back to the 1947 census, a fact that disturbs the demographic experts. At that time the number of "Turks" in our country amounted to 880,633 people. Approximately 75,000 of the them left the country between 1975 an 1988 on the basis of emigration treaties signed with Turkey. Over 340,000 people emigrated from May to August 1989 as a result of the "national revival" process, while 120,000 of them have reportedly returned in the meantime. These facts are mentioned in a paper submitted by Docent Boyko Mizov.

The demographic experts recall that the category of Bulgarians with Turkish ethnic self-awareness includes gypsies who observe Turkish religious rituals, Turkisized Bulgarian Muslims, Tatars, and Shiite Muslims, known under the name of "Kuzulbaks" ["Kuzulbashi"].

KGB Reportedly Involved in Markov's Murder

AU2903113291 Sofia BTA in English 2345 GMT 28 Mar 91

[Text] Sofia, March 28 (BTA)—The Soviet KGB is involved in the murder of Georgi Markov, the Bulgarian emigrant killed in London in 1978, the Bulgarian Television announced this evening, citing in its central news Radio Free Europe [RFE], according to which the Bulgarian Minister of the Interior, Dimitur Stoyanov, had

contacted the Soviet special services asking for help to do away with the writer who was found to be inconvenient for the regime.

According to RFE Oleg Kalugin, former employee of the Soviet secret services, said that in 1978 he talked with Kryuchkov, then one of the KGB leaders and now chief of the special services. The latter took him to Yuriy Andropov where an urgent cable from Sofia was read in which it was insisted on killing Markov.

According to RFE, at first Andropov opposed any plans of this kind, but Kryuchkov managed to talk him round and he gave his consent on the understanding that no Soviet people would take part in the operation. It was agreed to send Soviet instructors to Bulgaria.

Press Reviews KGB Involvement

AU2903114091 Sofia BTA in English 1022 GMT 29 Mar 91

[From BTA review of Sofia press on 29 March]

[Text] Sofia, March 29 (BTA)—Bulgaria's former minister of the interior, Dimitur Stoyanov, denies in today's DUMA the allegations made by the former KGB agent Oleg Kalugin that Stoyanov had contacted Yuriy Andropov and present KGB chief Kryuchkov asking for "assistance" in assassinating the Bulgarian emigre writer Georgi Markov. "The information released by Kalugin, a former KGB agent who defected to the British secret services, is slanderous. I have never asked assistance from Yuriy Andropov or Kryuchkov for the assassination of Georgi Markov," Mr. Stoyanov told DUMA last night after the national television broadcast the report of Radio Free Europe which DUMA runs in a resume.

Citing an anonymous source from the Bulgarian secret services, TRUD reports of a "high-quarters decision" to ban the Bulgarian secret services (former Department I of the State Security) from carrying out intelligence operations on the territory of Western countries. The decision, announced by Deputy Prime Minister Dimitur Ludzhev at his recent meeting with secret services chiefs, was motivated by the changes in Bulgaria's international relations, the newspaper says. Mr. Ludzhev also told the participants in the meeting about the decision to dismiss the deputy directors of the secret services General Georgi Manchev and Colonel Ivan Gaydarov.

Under the headline "Bulgaria Patronized International Terrorism," DEMOKRATSIYA says that Lebanese, Syrians, Algerians, Libyans, Jordanians, Iraqis and citizens from other African countries were trained in "organizing terrorist acts and sabotages, in spying and in wielding different kinds of weapons and explosives," at special training centres situated on the Bulgarian Black Sea coast. The newspaper cites a "knowledgeable source well acquainted with the structure and the activities of the National Intelligence Service and the National Service for the Protection of the Constitution." DEMOKRATSIYA notes that the involvement of the Bulgarian secret services in international terrorism, in the armament and financing of the so-called 'national liberation movements' in a number of Arab and African countries are some of the top secrets of the security services and of the Bulgarian intelligence. The uncovering of these secrets is unthinkable under any circumstances. According to DEMOKRATSIYA regular meetings used to take place in luxury hotels in Sofia and in the villas of the intelligence services to coordinate different arms and drugs smuggling operations and the transfer of Arab terrorists to Western countries via the Beirut-Istanbul-Frankfurt route which was controlled by the Bulgarian State Security.

Journalists' Union's Letter on Financial Situation

AU2803190291 Sofia DUMA in Bulgarian 22 Mar 91 p 2

[Letter from the Bulgarian Journalists' Union: "A Letter to Our Colleagues"]

[Text] The Secretariat of the Bulgarian Journalists' Union [SBZh], the Control Council, and the management of the SBZh's Creative Fund addressed a letter to the community of journalists to explain the union's financial situation and its possibilities for giving social assistance.

The economic crisis in our country severely affected the journalists' community and all our colleagues. The overall economic crisis is exerting a nearly destructive pressure upon the budgets of all creative unions in Bulgaria, the SBZh included. The revenues from the past and current contributions of members that were deducted from their fees for articles and the incomes from the activities of publishing institutions have drastically diminished. The editorial board of the POGLED journal, which until 1990 was a substantial source of income for the SBZh and for its Creative Fund, has serious financial problems. The contributions of the international journalists' lottery and the "International Journalists' Solidarity" Fund are also no longer available. Meanwhile, the expenditures for the Union's basic maintenance have enormously increased. All these circumstances raise the crucial question about the survival of the SBZh in 1991. The economic management directorate of the union, which was established in 1990, is still incapable of providing the necessary means likely to guarantee the normal functioning of the union and of its Creative Fund.

The present situation demands a distinct specification of the SBZh members' needs according to their urgency. None of you would deny that our unemployed colleagues are most severely affected by the economic crisis. A special fund was established for giving financial assistance to them, an agency for unemployed journalists under the SBZh was also created, and measures are being taken for facilitating their re-training. The number of unemployed journalists is steadily growing.

Secondly, we are obliged to take care of our pensioners whose incomes are below the minimum subsistence level, while many of them are people of very advanced age, suffering from serious and chronic diseases.

The number of our colleagues whose incomes can hardly cover the essential needs of their family members and the number of sick colleagues who require permanent medical care and treatment are increasing. In the meantime the fees that the SBZh is paying for each of its members in need of medical assistance have increased 6 times in 1991.

Under such circumstances the concern about the possibility of using the SBZh rest and recreation home during the 1991 season is absolutely justified. The actual expenditures for one day of full board at the International Journalists Home in Varna amounts to 250-300 leva, considering the prices for foodstuffs, but also considering transportation costs, electric power supply, heating oil, water, and the general maintenance of the home. The situation of the rest home in Bankya, where one day of full board costs over 100 leva, is similar.

It would be appropriate to consider reductions of expenditures that could be achieved by renting part of the buildings to paying guests, foreigners included. Nevertheless, we should keep in mind that the general conditions in our country have affected tourism and the number of foreign visitors has dropped. The previous agreements with journalists' organizations from former socialist countries are not being renewed, which will result in a further loss of income.

We are convinced that the open minded and unmistakable discussion of the problems related to the SBZh's and the Creative Fund's financial situation, that directly affects the social interests of the members, will contribute to eliminating the unrealistic ideas of some colleagues regarding the financial resources of the union.

We are convinced that our colleagues will cooperate with us in sharing their ideas, proposals, and opinions in connection with overcoming the severe crisis that is affecting the union.

We are convinced that with joint efforts, mutual understanding, and mutual assistance and by accepting certain extremely urgent restrictions, we will be able to find a way of overcoming the current difficulties and reach firm ground in due course.

Assembly Unanimously Approves EBRD Agreement

LD2803140491 Prague CTK in English 1247 GMT 28 Mar 91

[Text] Prague March 28 (CTK)—There were no votes opposed as the Czechoslovak parliament approved today the agreement on the establishment of the European Bank for Reconstruction and Development (EBRD), which was signed in Paris on May 29, 1990. Presenting the agreement for the government, Finance Minister Vaclav Klaus said that the EBRD's objective will be to build up the infrastructure and to promote the private sector and the development of financial institutions and capital markets in Central and Eastern Europe. It will also seek to help environmental protection. According to Klaus, only support to the private sector was originally envisaged. Klaus said that measured by the size of their population, Czechoslovakia together with the Soviet Union, Yugoslavia and Poland has a considerable share in the bank's capital of 10,000 million ECUs [European Currency Units] and this suggests its expectations. The document was recommended for approval by both rapporteurs, one of whom specified Czechoslovakia's share in the basic capital at 128 million ECUs. He stressed that use of the bank's aid is conditional on political pluralism, democracy and market principles in the economy.

FRG Spokesman on Sudeten German Property Issue

LD2803115891 Prague CTK in English 0945 GMT 28 Mar 91

[Text] Prague March 28 (CTK)—The Czech leftist paper RUDE PRAVO writes today that it has been assured by a German Foreign Ministry spokesman that Germany's position concerning compensations to Sudeten Germans for property which they left on Czechoslovak territory when they were transferred to Germany after World War II has not changed. According to RUDE PRAVO a spokesman, who was not named, told the paper that "what Foreign Ministers (Jiri) Dienstbier and (Hans-Dietrich) Genscher agreed upon in their talks in Prague last year is still valid. This position of the Federal Republic of Germany has not changed. That is the base from which we will start in the talks on the broad treaty", the paper quoted the German official as saying. It said that during their talks last year the two foreign ministers noted they do not consider it reasonable to deal with property issues during the preparation of the treaty on relations between the two countries. Czechoslovak Premier Calfa said that the year 1948 will be the thick line separating Czechoslovak-German relations from the unfortunate chapters of mutual history. Since last week RUDE PRAVO has run two articles claiming it has information that the German position on property claims of the Sudeten Germans has changed. Despite one denial by the Czechoslovak Foreign Ministry the paper repeated its claim and a ministry spokesman reiterated yesterday he knew nothing about the alleged change. In the prominent front-page article today the leftist paper writes that the stands of the Czechoslovak and German ministries agree "that Bonn's attitude has not changed so far". It asserts that the Sudeten German Landsmannschaft and the Bavarian government continue their pressure on the Federal Government and that "the information which reached us last week that Bonn has changed its position" was "apparently premature".

Credits To USSR Needed To Boost Trade

LD2803150591 Prague Domestic Service in Czech 1100 GMT 28 Mar 91

[Summary] [Announcer] The weakening position of our goods on the Soviet market is not determined by price levels, quality, or conditions of deliveries, but by much better conditions of payments offered by Western suppliers enjoying the backing of their government and banks. However, following the return of Deputy Federal Prime Minister Vaclav Vales from Moscow, it appears that even we will have to grant further financial conscessions in the form of credits and their repayments. Vaclav Vales spoke about it after his arrival from the Soviet Union.

[Begin Vales recording] I think that what they will ask of us is that we grant them a loan on these deliveries. The last thing we discussed there [in the USSR] was that they should transfer by the first quarter 25 percent of the repayment due to us in view of the active balance we reached last year. If they go on paying us back, then for us this will constitute the only chance to make up our mind whether we should give it back to them in a form of credit, so we would give at least some boost to our trade. It could amount to between $100-$400 million this year. However, all of these are just possibilities, because Soviet enterprises are deep in debt. But to be honest, if we do not give at least these options to our enterprises, then a number of them do not have a chance in the competition with the Western suppliers, which are using credits to their advantage. [end recording]

Deputy Prime Minister on Cooperation With Russia

LD2803223291 Prague CTK in English 2102 GMT 28 Mar 91

[Text] Prague March 28 (CTK)—The Czechoslovak Government was briefed by Federal Deputy Premier Vaclav Vales at a session here today that the agreement on economic and trade relations between Czechoslovakia and the Russian Republic, signed during his working visit to the USSR, provides for greater possibilities of cooperation on the level of republics.

The government approved extra grants to partially balance the growth of the cost of living and decided that the 22 per cent turnover tax on the periodical press will be preserved on the same level. Problems of the periodical press can be solved by federal government subsidies.

The federal government approved a new concept of social insurance whose basis will be a united system of state social insurance for all citizens with the possibility of individual and group additional or voluntary insurance. The state social insurance system will be a public legal system guaranteed by the state from which short-term sickness benefits and long-term pensions derived from the earnings will be provided. The age limit for retirement of men continues to be 60 years and of women will be 57 years (regardless of the number of children). The transition to the new system started with partial measures already in 1990. It should be definitely introduced in 1993.

The government voiced consent with the signing of an agreement between the Czechoslovak and Israeli Governments on cooperation in the sphere of culture, education and science, and approved a Czechoslovak-U.S. agreement on granting financial assistance to the reconstruction and modernization of Czechoslovak railways.

Havel Proposes Amended Draft Constitution

AU2903104691 Bratislava PRAVDA in Slovak 26 Mar 91 p 1

[CTK report: "A Return to the Situation Before the 'Jurisdiction Bill'"]

[Text] Prague— President Vaclav Havel also came to the Federal Assembly building yesterday to attend the session of the legislative commission for drafting the CSFR constitution. Before the commission even started its work, he said to journalists in an interview that he had come to officially introduce his draft constitution to the legislative commission and an initiative that developed during talks with representatives from the main political forces at the recent meeting in the Vikarka restaurant.

After the session he explained that he handed his draft to the commission to serve as a basis for the commission's work and that he did not insist on the Federal Assembly's discussing it as a presidential legislative initiative. Federal Assembly Deputy Ernest Valko, (Public Against Violence movement) [VPN] said that the president handed to the chairman of legislature a new, amended working draft in which he respected, among other things, some of the 54 VPN suggestions that this movement made apropos V. Havel's original draft. He also said that the president's draft can serve as one of the basic documents for the expert group; however, he does not agree with this document being the exclusive basis [for the work of an expert group] because, among other things, the draft dates back to before the jurisdiction bill was passed last year. Ernest Valko also remarked that many problems in relations between the federation and the two republics would disappear, if the lowest levels of self-administration—that is, communities—had some basic powers.

Dlouhy Submits Proposed Land Law to Assembly

LD2803160391 Prague CTK in English 1426 GMT 28 Mar 91

[Text] Prague March 28 (CTK)—Federal Economics Minister Vladimir Dlouhy submitted the government's proposed law on land to parliament today, describing it as the key to the renewal of private ownership in Czechoslovak agriculture and the mending of forcefully severed connections to the soil. Roughly 70 per cent of the country's agricultural land—about 4.7 million hectares, over 2.8 million in the Czech republic and 1.8 million in Slovakia—will become private property under this law, according to preliminary estimates. Minister Dlouhy explained that the bill defines a category of persons—former landowners and their inheritors who are entitled to the return of their land on the condition that they are permanent residents of Czechoslovakia. The law would apply to all land nationalised between February 25, 1948 (when the Communists came to power) and January 1, 1990. One of the basic problems noted by Minister Dlouhy is how to transform the current agricultural cooperatives into organizations of true landowners. Most likely the solution lies in a complex revision of the existing law on cooperatives, which is now being reviewed by the federal and republic governments. In agreement with the opinion of the Slovak Government, the bill submitted today does not recommend the return of land to Czechoslovak citizens of Hungarian nationality. However it is not a question of returning land to traitors and collaborators as the public was mistakenly informed by the mass media, stressed the minister.

The federal government is also recommending that property formerly belonging to the church, congregations and religious associations be dealt with in a separate law, said Dlouhy.

The session heard two deputies who presented the principles of another two draft laws on the land which had been submitted to parliament. One, known as "Three T's", was presented by Miroslav Tyl of the Christian Democratic Party and the other one, prepared by the Communists, was read by Michal Borgula. Josef Lux, speaking for the Committees of the House of Nations, said that their rapporteurs were recommending a version which was based on the latest government draft of the law but included the positive elements of all three proposals. He noted that 92 per cent of agriculture was in private hands in 1949 while in 1989 it was only 4 per cent. The rapporteur for the other house of parliament, Oszkar Vilagi, said that it was necessary to expand the government draft for political reasons.

The parliament then adjourned its 14th session until April 3 when the debate on the land bill will continue.

Government Confirms Direction of Economic Reform

AU2703155791 Prague CTK in English 2056 GMT 25 Mar 91

[Text] Prague March 25 (CTK)—The Czechoslovak Government confirmed the continuation of the radical economic reform in a report on the economic situation in Czechoslovakia, which it discussed here today.

Referring to the report, Federal Economics Minister Vladimir Dlouhy told journalists after the government's session that the document evaluated the year 1990 and the first three months of 1991. At the same time, it expressed further intentions of the Federal Government.

Federal Premier Marian Calfa is expected to read this report in the Federal Assembly (parliament) on Thursday.

The majority of federal cabinet members favored a reduction of the present 22.5-percent turnover tax which is threatening to put many periodicals out of circulation. Finance Minister Vaclav Klaus was asked to present an analysis of the present situation in the sphere of periodicals and the effect that a possible turnover tax reduction would have on the state budget for Thursday's cabinet meeting.

Calfa: Agents in Federal Government Will Leave

AU2903113391 Prague MLADA FRONTA DNES in Czech 25 Mar 91 p 1

[Interview with Federal Prime Minister Marian Calfa by Karel Hvizdala; place and date not given: "In April Without Agents"]

[Text] [Hvizdala] The results of the legislative screening were published on Friday [22 March], and the government is being screened now. Do you have any preliminary results?

[Calfa] Regarding the federal government—the republic governments are answerable to the legislative bodies of the republics—the screening is completed. All government members, their deputies, and the entire government office apparatus were screened. At present, those who did not pass the screening are being interviewed. There are some deputy ministers among them but not a single minister. These interviews will be concluded at the end of March, and all of those "positively screened" will leave.

[Hvizdala] Roughly how many people are we talking about?

[Calfa] Of the total staff of several hundred, we are talking about some 50 people. We have the advantage that we do not need to broadcast the names of the individual State Security collaborators. All the government officials are appointed and not elected; therefore, they can be recalled and are willing to listen to reason.

[Hvizdala] Are you recalling all the employees from your office who were in any contact of a suspicious nature with the State Security, or just the active collaborators?

[Calfa] Following an agreement with Interior Minister Langos, criteria were set, according to which I have been acquainted only with the names of active collaborators. They are not merely suspected collaborators but active agents of whom, in some cases, a long-lasting collaboration was proved. I have not even seen the lists of suspected and indirect collaborators. Once more, I emphasize that the federal government had nothing to do with the screening. All investigations were conducted by the parliamentary Commission for Investigation of the Events of 17 November 1989.

Calfa on Slovak Attitude Toward Screenings

AU2803185391 Bratislava SMENA in Slovak 25 Mar 91 p 1

[Interview with Federal Prime Minister Marian Calfa by unidentified reporter; place and date not given]

[Text] [SMENA] Do you consider screenings to be a way of improving our political and civic life? Should they continue?

[Calfa] I consider this to be the case, and that they should continu. I am always asking myself whether a number of our current difficulties do not result from the fact that we did not come to terms with this earlier. Therefore, the stance adopted by the Slovak National Council [SNR] surprises me. All of this comes under the jurisdiction of the SNR deputies, and I do not intend to interfere in it. However, I think the SNR—as the Federal Assembly did in relation to the federal government—has to purge itself so we trust our SNR when it makes decisions. It is necessary to rescreen the SNR and the Slovak Government, and if they decide that no further screenings will take place, then I will trust that they made this decision for moral reasons and not in an attempt to hide something among themselves or others. If they do not do this, then they will never be rid of this bad feeling. We live in a time when it is necessary to uncover as much as possible and not conceal it.

Government Ends State Radio 'Monopoly'

LD2903113291 Prague CTK in English 1020 GMT 29 Mar 91

[Text] Prague March 29 (CTK)—The state monopoly in radio broadcasting is disintegrating in Czechoslovakia. The Federal Government has granted licences for test broadcasting valid till the end of 1992 to nine private or mixed companies. They should start broadcasting on medium and ultra-short waves in the second half of this year.

The traditional monopoly of the Czechoslovak Radio State Enterprise was practically broken in the spring of 1990 when the Munich-based Radio Free Europe (RFE) was permitted to broadcast on a frequency used until then by Czechoslovak radio. RFE now has an office in Prague.

Czechoslovakia belongs to countries whose territory is fully covered by its own radio transmitters operated by the Ministry of Communications. But the ministry keeps increasing the transmission costs.

In 1970 Czechoslovak radio was still making profit and turned it over to the state budget. In the last twenty years the costs of communication services increased six times reaching a total of 410 million crowns [korunas] (about 15.2 million U.S. dollars).

As the Finance Ministry refused to continue subsidizing the media, Czechoslovak radio faces financial problems. As a result, it is doubling the charges for the radio licence for the population from the present ten to twenty crowns a month.

Paradoxically, when private broadcasting companies start transmitting, money from those who listen only to programs aired by private companies will go to the revenues of the state radio.

Royalist Society Holds Constituent Assembly

AU2803161791 Bratislava PRAVDA in Slovak 25 Mar 91 p 1

["ab"-signed report: "The King Will Appear Later"]

[Text] A remarkable two-hour meeting took place on Saturday [23 March] in the Realistic Theater in Prague. Almost 250 participants spoke for a revival of landed nobility, for returning the property taken from them in 1918, for a reassessment of the relationship of Czechoslovakia with Austria, etc. The Bohemian Crown [Koruna ceska]—a royalist movement of Bohemia, Moravia, and Silesia—as this "society" is called, draws on the principles stated in the manifesto of the movement Ceske deti [Children of Bohemia] and it orients itself toward a constitutional monarchy. Members of the preparatory committee indicated a possibility of electing a Bohemian king. This is not possible at the moment, however, because such a person will only later "appear" on the party scene (the party is a right-wing one). The movement describes itself as a democratic one, and it should be an umbrella organization for individual small associations of a similar orientation.

Civic Democratic Party's Founding Progresses

LD2703192191 Prague CTK in English 1716 GMT 27 Mar 91

[Text] Prague March 27 (CTK)—The foundations of the Civic Democratic Party are being built, the number of applications for membership has been growing and the constituent congress of the party is being prepared for April 20, according to what Vaclav Klaus, chairman of the preparatory committee of the party, told newsmen here today.

Vaclav Klaus further told the news conference that his party is resolutely against the conclusion of a Czech-Slovak state treaty as the federation already exists but he did not exclude the possibility of further negotiations.

As there is great interest in the Civic Democratic Party in Slovakia, the party thinks about its registration at the Slovak Interior Ministry. According to Klaus, this would not take place before the party's constituent congress. Nevertheless Klaus said the party does not intend to interfere in Slovakia where the political scene is fragile.

Chairman of the consultative body of the preparatory committee of the Civic Democratic Party Josef Zieleniec said the prepared party program is called "Ways to Prosperity," follows up the program adopted by the January session of the Civic Forum and orientates itself on the creation of a party of the conservative liberal type.

According to Klaus, an enormous problem is the so-called moral code within which the state administration bodies should be purified as there exists the danger that specialists in this field will go to work in private enterprises which can offer them much higher salaries.

Klaus also insisted on the 22 per cent turnover tax on periodicals claiming that good papers will survive.

He further noted Czechoslovakia's problem with fulfilling the conditions of the International Monetary Fund as it did not raise prises of fuels and energy as of January 1, 1991 as anticipated.

Pithart, Meciar Agree To Resume Regular Meetings

LD2803221191 Prague Federal 1 Television Network in Czech 2100 GMT 28 Mar 91

[Text] Slovak Prime Minister Vladimir Meciar met with his Czech counterpart, Petr Pithart, quite unexpectedly early this evening in Prague.

Asked by CTK what happened at the meeting, Prime Minister Meciar replied that it was not that long ago that relations between the Czech and Slovak Governments were such that enabled good mutual communication and the resolution of specific problems. Vladimir Meciar said, and I quote: A lengthy and unnecessary gap in these relations has opened up. There is a lot of suspicion and unexplained matters, and the communications breakdown is now reaching the point where it could harm the interests of both republics. Consequently I held out a friendly hand and came to have a talk with Prime Minister Pithart. Our talk was on a one-to-one basis; we were honest with one another; we have not finished; we have not made any agreements, because such a wide range of problems simply cannot be resolved in such a short time. We both share the view that there is no point

in escalating mutual tension. Instead of suspicion, mistrust and disinformation, the aim is to spread understanding and truthful information. This is probably the path that should be taken not only by politicians, but by all who hold the destiny of Czechoslovakia dear to their hearts. The situation is dangerous and the time has come to talk, because it may be that in a few months we will be incapable of talking to one another. Those were Prime Minister Meciar's words.

Czech Prime Minister Petr Pithart had this to say on the talks, I quote: In the short time available we tried to draw up a sort of inventory of the misunderstandings between the Czech and Slovak political scenes. We discovered that in addition to genuine differences of opinion there are so many of these that we did not have time to talk about anything else. Consequently we agreed that it would be a good thing for regular working meetings to be resumed at all levels between Czech and Slovak politicians.

Slovak Prime Minister Vladimir Meciar also had a meeting in Prague this evening with Federal Deputy Prime Minister Vaclav Vales.

Pithart Comments on Meciar Meeting

LD2903122691 Prague Domestic Service in Czech 1200 GMT 29 Mar 91

[Text] Czech Prime Minister Petr Pithart briefed journalists at a meeting of the Civic Movement today on yesterday's meeting with Slovak Prime Minister Vladimir Meciar. As he said, they explained to each other at the meeting the misinterpretations that occur in understanding the stands of the two sides. The contacts should be more frequent. Next week, the representatives of the two governments will exchange views on what necessary powers the federation should have in the economic reform process. According to Pithart, Meciar said that he would not like to witness the disintegration of the federation. The Czech prime minister also objected to the manner in which Milan Knazko, Slovak minister for international relations, assessed the adopted power-sharing bills.

Meciar Appeals to Public for Approval

AU2803110391 Bratislava VEREJNOST in Slovak 25 Mar 91 pp 1,3

[Speech by Slovak Prime Minister V. Meciar in Martin on 23 March: "Borders of Diversity Vary; Speech by V. Meciar at the Meeting in Martin"]

[Text] Dear fellow citizens! I have heard that I am not allowed to appear on television in the near future, but I can address you here. We expected that a certain political calm would ensue following the elections, that we would deliver what we promised, and that we would be able to look you straight in the eye the way honest people do. Because real life follows a path different from the one we promised and wanted to tread, however, it is necessary for us again to remind everyone of their promise that the citizens of this country are its masters! When one gives one's word to them, it is binding. We are responsible to them, it is through them that politics are carried out, and only they have the right to decide who will stay in public life and who must leave. No one else has this right! The government of which I am the prime minister is being attacked from all sides, and I am not even speaking of myself. A man does not prove himself by pounding his fist on the table but by keeping calm. We are criticized from all sides, and among our critics are even some officials of the Public Against Violence movement. A lot of criticism can be heard from Prague and, if all that is said were true, I guess I would not even have the right to stand here before you. Precisely because all this talk is only lies, however, I have the right to stand before you, account for my activities, and report on our achievements. Where do our opinions differ? First of all, although we have to make sacrifices and tighten our belts, we have promised to guarantee work and bread to people, and we must not go beyond the limits of tolerance where the country, the economy, and lives are disrupted. Today, we are in a situation in which such a disruption is imminent. We differ in our views on how to deal with this. We are told that Klaus has conceived a reform, and now we are to shut up and implement it. We say: O.K., but Slovakia is different! We have the conversion [of the armament industry] in Slovakia to cope with, and you in Martin are well aware of the fact that our energy situation is different, and so is our unemployment; fortunately, the birthrate is higher here—in this field we are also working harder. Hence, we must include these matters in our considerations. If there are to be structural changes in the economy, someone must introduce them, someone must supervise them, and someone has to be accountable for them. And what is happening in our government? All the ministers responsible for the economy are on my side, but the deputy prime ministers who are responsible for implementing these changes scream that they are not going to do it because it would mean betraying Klaus's reform. Well, I do not give a damn! Here we must talk about our responsibility. You must have jobs, and we must orient ourselves toward you; we have to keep returning to you.

I am reproached in the government for pursuing an independent foreign policy. How is it independent? Traveling on behalf of the state is a very difficult task. The directors who accompanied me said that they have never worked so hard as they did when traveling with the prime minister. Why did we go to Germany? So we could make arrangements for deliveries of new machines and new equipment from the company Hanomag and reach an agreement that they would provide an opportunity for the citizens of Martin to expand their production with something that would replace the tanks. Why did we go to Russia? Because we negotiated secretly with Soviet generals for permission to continue the production of weapons manufactured in Martin, to have them withdraw their license protection, thus allowing the Martin

workers to continue producing what they used to manufacture before the production was terminated. In the meantime, Poles produce and sell at prices one-third higher than ours. Whom did we help [by stopping tank production]? We have problems here! I blame the federal government for not thinking when it decided to begin the conversion from one day to the next without explaining what sources would provide money for new types of production, what would be produced, and how people would live. They say: That is your business, you take care of it! Well, I am trying. So, let them not complain about my going abroad in my search for work.

Another important issue is how one understands national interests. You know that we are to adopt a Slovak Republic constitution. It is to be the first constitution that is democratic, and it is supposed to conclude our statehood. We Slovaks are so concerned about statehood, not just because we have never had it, although we have struggled for it since the time of the Great Moravian Empire, i.e. for a thousand years, but because this statehood will play an important part in our relationship with the Czech Republic, and even more importantly, through this statehood we will enter into a relationship with the whole of Europe. The point is that we do not want to be assimilated in Europe, we want to have equal rights, we want to be equal partners, we want to enrich Europe, we want to be worthwhile and useful. Instead, I am told: You are conscious of nationality, therefore, you are a nationalist. You should be a citizen. I am a citizen! Practically everybody here is a citizen. We are all citizens of this country. Should that make us deny that we are a nation? A citizen's relationship with his country is defined by law. A relationship with the nation involves language, culture, national consciousness, a feeling of belonging, and also a territory in which the nation develops. But there is no need to tell you this. Where else should people understand it better than here in Martin, the seat of the National Heritage Foundation—and you know why you keep the foundation here.

We have gradually reached a point in the Public Against Violence movement at which, when one says "let us build the Slovak Republic as a sovereign republic, for only a sovereign republic can pass on a part of its sovereignty to the federation," then the same Public Against Violence members who scream here away with Meciar yell at me that the only thing left for me to do is to call: "On guard" [a greeting of the Slovak fascist Hlinka guard]. I prefer to say to these people: "See you!" To those who deny that the Slovak Republic should be constituted as a democratic state and that the Slovak Republic should enter the union, i.e. the family of European nations, as an equal partner, or to those who want to deny it, I say: Good bye, brothers!

You know, there were rumors recently, even the president received a person who yelled that a leftist coup was in progress in Slovakia. [During his visit to Slovakia on 14 March, President Havel received the chief editor of the weekly ECHO, Zitny, who made such a claim in his paper.] Meciar is the prime minister, and he is staging a leftist coup to become the prime minister! Hence, I am to depose myself and regain my seat by the same coup! How am I to do that? I was contemplating whether I should turn the seat around, or perhaps move the desk, but somehow I cannot find a place for the communists and the Slovak National Party. I am telling you frankly what happened. Why should I hide anything? After all, I speak to them, too. I asked Weiss [Slovak communist leader] why they do not criticize me, for in the present situation it would help me, and he replied: "You know, we would very much like to, but for us you are a lesser evil than Carnogursky." Hence, they are not saying that I am good, only that I am not as bad.... Therefore, all this talk about a leftist coup is only a made-up story. Changes in the government were prepared elsewhere. These preparations were made in Jiraskova Street, in the Coordinating Center, where selections were made of who would have to leave, who could not stay. I keep telling everyone: If they do not want to work in the government with me, they do not have to. They can form a new government. They do not have to sit in this one. I cannot accept the fact that something is creeping into our social life that was here once and should not ever come back. It is sad. I have great respect for the Slovak National Council, and I understand that the only thing one can do in the current situation is to start an investigation. I am accused of being the prime minister, and one should find out whether I have done anything. The usual course of action is that one does something and then, when the deed is discovered, the person responsible is brought to account. The presumption of guilt that there is in proceedings [in the legislature] that are not properly conducted—this is something that has already happened in the past, and I trust in the reason of the deputies, who will, I am convinced, prevent the staging of any political trials in the future so the trials are not conducted. Nevertheless, if they do take place, we can take it. Time will settle everything. As regards halushky [halushky s bryndzou—Slovak national dish consisting of potato-dough nuggets with feta-type cheese], there is a shortage of bryndza. Moreover, bryndza is expensive, despite the fact that shepherds have more sheep than they know what to do with....

Let us return to the things that pose a threat to the life of society in Slovakia. As I have already said, the citizen is the fundamental cell of society. I said that this citizen has his human rights, rights that must not be violated by anyone. I said that politics should be in the service of the citizen. Suddenly, a type of fraternity was formed, very secluded, and it is very much preoccupied with its own debates. As if the citizens did not exist at all. Even justified interests are overlooked. There is this craving for power—to manipulate the government here, the National Council there, or another institution. They use methods that certainly are not democratic. For example, as prime minister, I told myself that it would be appropriate for this government to present to you, citizens, the first draft of the constitution. However, since they were worried that if I came out with this draft, it would enhance my popularity, they banned any further work on

this constitution. Therefore, the draft is incomplete, and they ordered the work, or rather, the Slovak National Council approached the work from an entirely different direction. Have no fear, however, there will be a constitution of the Slovak Republic, and it will be the constitution of a modern democratic state!

We have to go our separate ways in the Public Against Violence movement, because we have different ideas about the direction to take and about what we promised. What happened? A part of the leadership turned to the right, but that has not been approved anywhere. Mr. Dubcek and I, we agreed (together with many of our friends) that we would not go right, and we are going straight ahead. Only now, all those who turned to the right are yelling that we are deviants because we are going straight. This is an argument that carries no weight in politics! Fortunately, today people are mature enough to distinguish where the truth and facts are. They know how to choose whom to give their trust and whom not. A lot is being said about power. I know nothing of it. I have only a lot of responsibility to you. I promised to serve you, and I know no one else. It does not matter to me what price I will have to pay, but as long as I can be of service, it will be service for you! To the best of my conscience and to the utmost of my strength. I will always be accountable to you. You can ask what I am doing and you have the right to tell me whether or not I am to be a part of the government. I am not aware of any other group that has such a right. If we exalt the citizen, if we respect him, then we must act in politics accordingly. Yes, there will be difficulties in the future. Even in the economy we disagree about priorities. Yes, many people will have to leave factories, the production process, but they must be able to find work in research, health care, in education, or in services; however, somebody must organize all this, it must be financed and supervised by someone. If the government does not do it satisfactorily, what am I to tell my own deputies? I can only thank them. At the same time, they yell sarcastically at the prime minister that they are grateful for my wanting such things of them. This political problem must be dealt with somehow, and I hope that it will not take too long. We have offered the Public Against Violence movement a hand in cooperation. We will unite under a single roof, but we will be different. Let us protect the state, and let us protect the national bodies. Let us follow the policy statement as we promised, despite our having different opinions in that respect. Unfortunately, that is irrelevant. If we are not able to overcome our difference of opinion, the elections would be adjusted in the sense that the Christian Democrats, who were behind in the election results, will gain the decisive position. It is the price demanded by those who are incapable of understanding that they are only attacking, and they want Slovakia and Slovak voters to pay it. This is not right. The citizens of Slovakia should then again be given the opportunity to say whom they want and whom they are willing to support. Hence, although it is very unpleasant that we begin the spring with new political activities, it is necessary to realize that Slovak roots are here, that Slovak politics will be decided in Slovakia, and that Slovakia will form its relationship with the Czech Republic as an equal partner. It is necessary so we can say that the enterprises and organizations in Slovakia that are to be included in the structure and the reform that will be implemented must be prepared for the Slovak local conditions. Every region must tailor the suit according to its needs. No tailor who takes part in sewing the economic reform will be able to say that he does not see who it is the suit is intended for and that there will be only one suit that will have to fit everybody. Hence, even the economic reform must correspond to the national and territorial differences of Slovakia, and it must be accountable to the citizens of Slovakia. The social policy must be one that will be able to save and help people to overcome the difficult period from the end of 1991 through a part of 1992, to overcome it with dignity; its point of departure must be actual situations. We again promised to be honest with one another in domestic politics, to conduct open politics, and to account for our actions publicly. As a result we must organize assemblies, and I have to account for my deeds to you. It is you who must be heard and whose voice must be respected by everyone who wants to be in politics. They need your approval. Those who are unable to get it should leave politics!

Legal Expert Says Meciar Inquiry Unconstitutional

AU2803155491

[Editorial Report] Bratislava NARODNA OBRODA in Slovak on 26 March on page 6 carries a 1,000-word article by Docent Lubomir Fogos, LLD, candidate of sciences, entitled "Can Slovak National Council Committees Investigate?" The article responds to the resolution of the Slovak National Council Presidium of 19 March that charged the Slovak National Council Defense and Security Affairs Committee and the Slovak National Council Foreign Affairs Committee with investigating the activities of Slovak Prime Minister Vladimir Meciar.

Fogos argues that the Slovak National Council Presidium's resolution lacks any legal basis and is therefore "untenable from the legal viewpoint." In Fogos' opinion, the Presidium failed to consider "two important facts." The first is that, in accordance with the law on Slovak National Council rules of procedure, the Slovak National Council committees have no authority to investigate and "the Slovak National Council Presidium is not a superior body to the Slovak National Council committees in the sense that its decisions could change the orientation of the committees' activity as enshrined in the law." The second fact is that no legal provisions exist that would define the rules of inquiry by Slovak National Council bodies. Fogos asks, for example, on the basis of which legal provisions the Slovak National Council committees intend to summon witnesses, what they intend to do if a witness refuses to turn up or to testify, whether their hearings are to be closed or public, etc.

Summing up, Fogos says that, "in European legal systems," decisions on investigations into the conduct of constitutional officials or on their impeachment are made by the "appropriate legal bodies," such as constitutional or supreme courts, "but never by parliamentary bodies."

Miklosko on VPN, KDH Relations

AU2803171391 Prague PRACE in Czech 22 Mar 91 pp 1,2

[Interview with Slovak National Council Chairman Frantisek Miklosko by Renata Havranova; place and date not given: "In the Lion's Den"—first two paragraphs are PRACE introduction]

[Excerpt] The internal political crisis in Slovakia culminated on Wednesday [20 March] and moved from the streets into the Slovak National Council. The night before, a serious dialogue was held by coalition partners on Slovak Television.

The most supreme constitutional official in Slovakia, Slovak National Council Chairman Fratisek Miklosko, made surprising statements here, and this is what we asked him:

[Havranova] In an evening interview on television, you said that the Public Against Violence movement [VPN] is inclined to support the Christian Democratic Movement's [KDH] proposal for a state agreement between the Czech Republic and the Slovak Republic. Why?

[Miklosko] Why this change? All this is linked to the development on the political scene. That is, politics is the art of the possible. If the VPN wants to continue to be the decisive political force, and if it wants to decide the fate of this country, it cannot distance itself from what appears to be a general opinion in Slovakia. I do not have the courage to unequivocally say whether the VPN was or was not against the agreement from the very beginning. I would rather say that the VPN did not express its opinion. To be honest—the VPN, in fact, was prepared not to demand the conclusion of this agreement. Now, whether the VPN wants it or not, it must contribute toward the idea of concluding a political agreement in the form of a legal document.

[Havranova] This gives me the impression that the reason for the KDH's shift toward the position of the strongest political entity....

[Miklosko] This may correspond to reality. Originally, the VPN had 48 deputies, that is, a strong representation in the government and in the legislature as well. Now, the VPN has 29 votes, that is, the composition of political forces has changed and, therefore, the VPN must respect the currently strongest political movement. Moreover, the idea of a political agreement or treaty is not bad. In a wide spectrum of political forces, such an agreement can be a basis for consensus. This is probably the only way of preserving political balance within the Slovak National Council.

[Havranova] Did you expect the reaction from Bohemia?

[Miklosko] Maybe, the Czechs will finally understand that the agreement is more of a psychological nature than of a legal nature. If an agreement is concluded and signed by the two most supreme legislative bodies—an agreement representing a legal obligation that cannot be modified without the consent of both parties—then this would bring certainty.

[Havranova] Even the Czech National Council Chairwoman Dagmar Buresova has not rejected, in a private conversation, reopening this issue.

[Miklosko] Originally, Mrs. Buresova adopted a categoric standpoint. During a dinner given in honor of the Italian prime minister, she said something to the effect that we continued discussing the problem and the door remained open. I consider this to be a very diplomatic stance. [passage omitted]

VPN Chairman Gal Outlines Dispute With Meciar

AU2903112691 Prague MLADA FRONTA DNES in Czech 25 Mar 91 p 3

[Interview with Fedor Gal, chairman of the Public Against Violence movement by Karel Hvizdala and Jiri Leschtina in Bratislava on 18 March: "Then Came the Explosion"]

[Excerpts] [passage omitted] [MLADA FRONTA DNES] Today you are confronting V. Meciar and you are trying to recall him when his popularity is rising fast. Would it have been better for you to have confronted some of his maneuvers in advance?

[Gal] Of course, we assumed that the prime minister would be very dissatisfied with not being elected to head the Public Against Violence [VPN] movement at the assembly. However, who could have foreseen that within the For a Democratic Slovakia platform he would unite incompatible groups? Dissatisfied districts demonstrating their need for a right-wing program and, along with them, representatives of the Obroda [Revival] Club; that is, absolute opposites on the political spectrum. Who could have anticipated that people would come together here who—in the words of Prime Minister Meciar—reject screenings and people who would like to screen the whole of society, including their own neighbors? Something binds these people together. In my opinion, it is dissatisfaction with their personal position, with their way of life, and ambition. Certainly, there were certain signals here. For example, on the day of the assembly, V. Meciar gave an interview on television in which he said that the VPN Coordinating Center was

working against him. Later, on the radio, he attacked specific people, including me. Despite this, we remained calm; however, Minister Knazko's appearance on Slovak Television was absolutely unacceptable for us. This was something decidedly absurd in political life. A minister, who had been promoted to his post by the VPN, was speaking out mendaciously and demagogically against his own movement. The straw that broke the camel's back was the notorious affair concerning Deputy Prime Minister Kucerak whom V. Meciar accused of cooperating with the StB [State Security] claiming that he had obtained this information from me. It was all lies. [passage omitted]

[MLADA FRONTA DNES] While conducting interviews in Bratislava and in surrounding villages, we have noticed a sharp decline in the VPN's popularity, a popularity that is vacillating in the disputes. Do you think that all of this will have terrible consequences for you in the next election?

[Gal] Whenever our movement got down to resolving serious problems, it lost a considerable part of the public's support. This was the case with the screenings, personnel changes in enterprises, and the language law issue. Standing by fundamental points of view always means opening oneself up to certain criticism from the public. However, at key moments—such as elections—people appreciate, first and foremost, the fact that a certain party is not making an about-face and that it is maintaining a clear continuity. When people come to the ballot boxes next summer, there will be a reminder of these turbulent days, and the voters will ask who held their ground in them. I am convinced it will be the VPN.

[MLADA FRONTA DNES] This is precisely what Prime Minister Meciar is saying. He says he is still going along a straight road and is leaving a clear path behind him. He is also not doing an about-face....

[Gal] Prime Minister Meciar has crossed the boundary beyond which a politician must never go. A politician must never lie and deceive. He must never act like a cheap populist, hide behind the people, and turn against the very movement that gave him life. Unfortunately, Prime Minister Meciar has now done all these things.

[MLADA FRONTA DNES] According to our experience, however, the ordinary citizen in Slovakia has a different view of the matter. Vladimir Meciar has promised the people work, he has aroused their national awareness, and is fast winning huge popularity. He has even stated that he could motivate the people in factories and again lead them onto the streets. Do you think he will do this one day?

[Gal] What would he gain by this? Do you think that today people are willing to stand day and night on the squares the way they did in November 1989? People have completely different concerns today. They are faced with everyday problems and they have to make sure that they can maintain at least a decent standard of living. Whoever wants a revolution today will have to find an enemy against whom there is a wave of resistance. Previously, this was totalitarianism. What is it today? [passage omitted]

[MLADA FRONTA DNES] We must not forget that Vladimir Meciar also proclaims himself to be a VPN representative. He has even founded his own platform. Do you think that coexistence between both platforms will be possible within the same organization as is the case, so far, in the Civic Forum?

[Gal] It is impossible to compare the situation within the VPN with the situation within the Civic Forum. An unpleasant situation developed within the Civic Forum, but it had a legitimate form to the last moment. The final solution was reached at a legitimate assembly. However, Meciar's platform was not established at any assembly. Its supporters will have to make the platform legitimate sooner or later. They have to come forward with a request to convene an extraordinary VPN assembly where a legitimate solution could be reached. I do not have anyone to negotiate with at the moment. Do not take this to mean resistance to dialogue, but merely as a conviction that it is impossible to adopt an undemocratic method of resolving our movement's internal problems. In essence, I am satisfied with what has happened within the VPN. I see no reason why I should march under one banner with people to which I have nothing to say. Of course, if Meciar's platform becomes a separate political entity, a completely different political situation will develop in Slovakia. Then the Christian Democrats can come forward with a justified demand for structuring executive power headed by the government in a different manner. [passage omitted]

VPN Briefing Outlines Approach Made to ZDS

AU2903104891 Bratislava NARODNA OBRODA in Slovak 26 Mar 91 p 2

[CTK report: "Will They Reach Out to Each Other?"]

[Text] Bratislava—"Representatives of the For a Democratic Slovakia [ZDS] platform have several times referred to their offer of cooperation. However, we have taken more specific steps than a mere offer. A group was entrusted with meeting and negotiating with Vladimir Meciar; it contacted him by telephone and asked him to appoint a date for the meeting. Nothing has happened for 10 days." This was how J. Flamik, chairman of the Public Against Violence [VPN] movement Coordinating Center, began his regular briefing. He stressed that the activity of the Slovak Council and the VPN Coordinating Center is open to the For a Democratic Slovakia platform. Ministers Rudolf Filkus and Michal Kovac—who are favorably inclined toward the For a Democratic Slovakia platform—also participated in the regular ministerial club meeting on Sunday [24 March]. A key issue at the moment is the For a Democratic Slovakia platform's recognition of the movement's legitimacy, its articles, and the conclusions reached at the republican

assembly. The establishment of a For a Democratic Slovakia platform Constitutional Committee in Vranov nad Toplou has more or less cast doubts on everything, and the VPN Slovak Council characterizes the establishment of this committee as an attempt at a coup within the movement.

Dienstbier Comments on Slovak Foreign Minister

LD2903091891 Prague CTK in English 0003 GMT 29 Mar 91

[Text] Prague March 28 (CTK)—"I consider the Slovak Ministry for External Relations a somewhat unfortunate solution as a government committee would be sufficient", Czechoslovak Foreign Minister Jiri Dienstbier told participants in a meeting in Hradec Kralove, East Bohemia, organized by the Civic Movement preparatory committee.

Commenting on some foreign activities of the Slovak representatives he said they are motivated by personal ambitions and spoke critically of the division of powers in Slovakia.

The foreign minister dealt also with the issue of Sudeten Germans (transferred after the end of World War Two), pointing out that what happened after 1945 was not justice but a revenge. Nevertheless any property claims are ungrounded, Dienstbier said.

Dubnicek Says Klaus' Reform Harmful to Slovakia

AU2803155591 Bratislava NARODNA OBRODA in Slovak 26 Mar 91 p 6

[Article by Jozef Dubnicek, Slovak minister of construction and the building industry: "Harshness Has Its Specifics; The Reform Should Not Be Slowed Down, But Its Course Ought To Be Rectified"]

[Excerpts] The long-heralded radical economic reform has been launched. [passage omitted] The purpose and the aim of this reform was to raise economic efficiency and, subsequently, to improve the living standards of the people and of the entire society. To achieve this, it is not enough to proclaim slogans about the need for price liberalization, privatization, convertibility, cooperation with the IMF and the World Bank, etc., but it is necessary to fill this reform with individual economic steps and measures. The course of the reform thus far indicates that its initial results are far more negative than the authors of the reform had predicted.

A Mistake Has Occurred Somewhere

A certain growth of prices, the emergence of unemployment, reduction in the standard of living, and a decline of economic growth were anticipated by all of us. A change in the political and economic system is always accompanied by negative phenomena. [passage omitted] However, the embryo of a change for the better in the future must loom somewhere in the womb of these negative phenomena. Unfortunately, this element, this germ of a positive change, is nowhere to be seen. At the same time we have discovered that, to a certain extent, we have become participants in an economic experiment with 15 million citizens, about the outcome of which even its spiritual father is unable to say anything definite.

The course of the initial months of the economic reform indicates where the principal cause of the present situation lies. It lies, first and foremost, in the unitarist approach to the solution of our economic problems and in the failure to respect a number of economic facts. The application of the unitarist approach ignores the disparate points of departure and the disparate orientations of the Czech and Slovak economies.

The fathers of our reform, especially the minister of finance, do not realize that structurally diverse economies, such as the Czech economy and the Slovak economy, cannot be managed without respecting their specific features. Such diverse economies can be managed, but only under the condition of a differentiated approach at the level of the republics. Have the authors of our reform perhaps forgotten that savings of the population and the financial resources of companies represent the primary source of credits and that by gradually liquidating this source we jeopardize the further development of the economy? Have they forgotten that demand backed by the purchasing power of the population is the main "engine" driving the economy? [passage omitted] After all, when there is no demand because purchasing power has been liquidated, enterprises will have no one to produce for and, hence, nothing to produce; therefore, they will be deprived of their raison d'etre.

Not To Drown Everyone

We do not believe that the structure of the economy can be changed by deliberately starting to "drown" all enterprises and production activities in the "sea" of new economic rules in the expectation that those who learn how to "swim" may have a chance of rescue. Quite to the contrary, we are convinced that it is possible to determine priorities, development programs as well as programs for winding down production, and to expediently reshape the structure of our economy by means of these programs, with the help of economic instruments such as subsidies, tax relief, the possibility to write off fixed assets, preferential credit terms, etc. [passage omitted]

The export capability of the economy can be promoted, basically, in two ways. The first is a rational, differentiated policy aimed at supporting production branches that have certain natural dispositions for assertion on world markets. The other method is an essentially administrative one—devaluation of the currency. [passage omitted] At the same time, devaluation makes imports more expensive. And here we arrive at another negative consequence of the unitarist approach that has

a very severe impact on the economy of Slovakia, which is to a significant degree based on raw material imports.

A steadily growing group of our economists draws attention to the fact that free price-fixing is possible only in an environment of competing manufacturers and retailers. If this condition is not met, price liberalization damages the population and gradually, via the marketing ceiling [odbytovy strop], leads to economic decline. The Slovak economy is also damaged by the circumstance that, whereas the prices of a formidable part of intermediary products [which are dominant in the Slovak economy] are subject to price control, the reasoning being that the inflationary spiral must be nipped in the bud, price regulation with respect to final products [which are dominant in the Czech economy] is less consistent. This undeniably results in diverse impact of price liberalization on the two national economies. [passage omitted]

Mr. Klaus claims that, in the interest of curbing inflation, it is necessary to limit investments. One can agree with this on principle. However, by radically limiting investment spending we simultaneously undermine our future by living at its expense. [passage omitted] This is why it is necessary to put an end to measures that lead to the decline [degres] of our economy and use a purposeful and differentiated approach [to investment policy].

Another issue that is open to debate is that of maintaining the state budget in surplus at a time of falling production and insolvent enterprises, as this policy jeopardizes the planned revenues of the state budget. How will the state cover its expenditures? What will form the basis of the much-touted social safety net? How can enterprises be expected to reduce their prices, given their obsolete technology, material-intensive and energy-intensive production, and total lack of funds for modernization projects?

In view of the fact that the social consequences of the initial reform steps have already reached the limit of tolerability, and in view of the warranted fears of their further exacerbation, it is a political inevitability to ponder the further course of the radical economic reform. We are not talking about slowing down the reform but about rectifying its course through better thought-out and coordinated steps.

Klaus Comments on Possiblities of Slovak Secession

AU2903114191 Prague HOSPODARSKE NOVINY in Czech 25 Mar 91 p 2

[CTK report: "The Optimism of Minister Klaus"]

[Text] One of the first questions raised by the citizens of Ceske Budejovice on Saturday [23 March] and answered by Vaclav Klaus, minister of finance of the Czech and Slovak Federal Republic and chairman of the Preparatory Committee of the Civic Democratic Party, concerned the division of the Czech and Slovak Federal Republic into two republics. He said: We do not want it, we are interested in preserving the Czech and Slovak Federal Republic as a single European country. The situation is not as dramatic as it seems to be. It has been made into an issue by some Slovak politicians. Although the economic reform could proceed, the secession of Slovakia would complicate the situation substantially."

He pointed out that the federal and the Slovak Government budgets for the first two months of the year are "in the black," while the Czech one shows a deficit of approximately 1.5 billion korunas. He emphasized the koruna's gaining strength when compared to the dollar; this orientation must be maintained and supported. The citizens asked also about the reasons for raising the price of heating and power. In this respect, Minister Klaus said that the movement of prices will be painful, despite some compensation, but there is no other way. He also commented on the coupon privatization, which is in preparation, and emphasized that this preparation is impeded by problems particularly concerning the Slovak Republic. Nevertheless, as he said, he is convinced of its succeeding if not as early as this year, then definitely next year.

Slovak National Council Sets Election Dates

LD2803221491 Bratislava Domestic Service in Slovak 2030 GMT 28 Mar 91

[Text] The Slovak National Council [SNR] Presidium met today and discussed a report on the results of the elections to the community self-administration bodies held on 23 March. They also declared new elections in nine communities where, for one reason or another, they did not take place according to the law. Local elections will also take place on 18 May in 45 other communities where the post of mayor has fallen vacant. Lists of candidates must be submitted by 18 April.

The SNR Presidium went on to hear statements today by Deputy Prime Ministers Jozef Kucerak, Vladimir Ondrus, and Gabor Zaszlos, on their comments about aleged cooperation between some government members and the former secret police.

The SNR Presidium also took note of a report by its Foreign Affairs Committee on the preparations for and assessment of foreign visits by highest level Slovak Government delegations. It also asked the Prime Minister to notify the SNR Presidium by 3 April of the specific agreements concluded in Germany, Italy, and the USSR.

The Prime Minister is also to notify the SNR Presidium when the visit by the delegation led by Deputy Prime Minister Jozef Kucerak to the United States was approved and assessed.

Today's Presidium meeting wound up by convening the 13th SNR meeting on 23-24 April.

Government Agrees With Six-Party Coordination

LD2803215791 Budapest MTI in English 1958 GMT 28 Mar 91

[Text] Budapest, March 28 (MTI)—The prime minister's press office issued a communique on Thursday evening.

Accordingly, the Government of the Republic of Hungary agrees with the proposal put forward by the Federation of Young Democrats (FYD) for six-party coordination, all the more so as the prime minister has stressed the importance of this, and has also initiated this, on more than one occasion both in parliament and outside it.

The matter was discussed on Thursday by Prime Minister Jozsef Antall and Balazs Horvath, acting vice-president of the Hungarian Democratic Forum, Ferenc Jozsef Nagy, president of the Independent Smallholders' Party, and Laszlo Surjan, president of the Christian Democratic People's Party. They agreed that dialogue and, if possible, and agreement between the Government, the coalition and opposition parties is necessary in fundamental issues concerning the republic.

The subject and form of the six-party talks should be jointly created on the first occasion. The prime minister accepts to coordinate and summon the talks with the leaders of the parties and parliamentary groups, inasmuch as a favourable joint position is reached.

SZDSZ on Dissent in Party, Antall Coalition

AU2803152591 Budapest NEPSZABADSAG in Hungarian 25 Mar 91 pp 1, 7

[Interview with Peter Tolgyessy, parliamentary representative of the Alliance of Free Democrats (SZDSZ), by Lajos Pogonyi; place and date not given: "The SZDSZ Has Lost Many of Its Striking Features"—first paragraph is NEPSZABADSAG introduction]

[Excerpts] Our reporter recently interviewed Peter Tolgyessy, one of the founding members of the Alliance of Free Democrats [SZDSZ]. Among other things, the former SZDSZ faction leader told us that with the 1991 budget, the Hungarian Democratic Forum [MDF] had maintained a looting-distributing state. The country seems to be increasingly divided—on the one hand, there are the upper 10, and on the other, the poverty-stricken millions. Furthermore, so far, the new administration only seems to have been able to present bills prepared by former reform-communist governments. Tolgyessy believes that the SZDSZ's policy has been zigzagging lately. The following is a transcript of the interview. [passage omitted]

[Pogonyi] How would you describe the SZDSZ?

[Tolgyessy] There has always been a rather liberal trend and a more social tendency within the SZDSZ, but there has never really been a debate to clarify the situation, so the official viewpoint of the SZDSZ is usually based on the opinion of whoever happens to be speaking. I am not referring to some kind of a philosophical controversy in this instance. In relation to any significant or concrete case, following the elaboration of a renewed strategic program, we should develop the SZDSZ's viewpoint as soon as possible, in collaboration with our party membership. In that way, we would avoid situations whereby, from one week to the next, even the members of our own parliamentary faction are forced to suddenly improvise during heated parliamentary debates, as was the case during the debates concerning the Compensation Bill.

[Pogonyi] How great is the difference between the two SZDSZ tendencies?

[Tolgyessy] It would be wrong to exaggerate differences: These days, the SZDSZ is mainly characterized by its polemics with other forces on the Hungarian political scene, particularly the MDF.

[Pogonyi] How could you summarize the essence of that statement?

[Tolgyessy] The MDF hopes that the blessed activities of our central power and of our public administration will bring happiness to Hungary; the SZDSZ has more faith in civic autonomy and in independent activities than in the state. [passage omitted]

[Pogonyi] Are you afraid of an extreme left-wing or an extreme right-wing threat?

[Tolgyessy] I do not think the extreme left-wing constitutes a threat. Left-wing totalitarianism has probably discredited itself in the Danube valley for many years to come. Right-wing demagogic trends and the landslide of right-wing populism are much more likely scenarios.

[Pogonyi] You have outlined political parties and the National Assembly for us; what is your opinion of the Antall government?

[Tolgyessy] First, I have to stress that the governments of Central and Eastern Europe's new democracies have inevitably caused disappointment among the populations, whose expectations have been too high. The current German Government is made up of professional politicians, its financial means are enormous, yet there are people on the street demanding the resignation of that government. There are innumerable tasks and only limited means. Nevertheless, it is still disappointing to see that the Antall government took almost a year to elaborate the program for its first economic measures. So far, the new administration only seems to have been able to present bills prepared by previous reform-communist governments. The suitability and credibility of several high-ranking government officials have been questioned. On the whole, the new authorities have not responded to public criticism by introducing wise, corrective measures; in general, they have seen these criticisms as hostile, and they have sometimes blamed them on an opposition conspiracy. More often than not, they have

spoken of press manipulation. In short, it may well be that the government will not leave this country in a better state than it was found in.

[Pogonyi] The SZDSZ recently announced that it was ready to take on the responsibility of governing this country. Was that statement not made too soon?

[Tolgyessy] Even though the SZDSZ is altogether more suitable for government than the MDF, I still think that compared to an ideal model, the SZDSZ leaves something to be desired as far as the establishment of a liberal alternative is concerned. The SZDSZ has lost many of its striking features, and its policy has recently started to zigzag. [passage omitted]

1991 Predicted as 'Critical Year' for Economy

LD2803202391 Budapest MTI in English 1922 GMT 28 Mar 91

[Text] Budapest, March 28 (MTI)—"1991 will be a critical year for the Hungarian economy, the year when the recession will hit rock-bottom and inflation hit the heights" according to the latest economic report of the Budapest-based institute for economic market research and information.

The major improvement in the payments balance position in 1990, and the three-year agreement reached with the International Monetary Fund, have given the country a breathing space. The value of foreign currency reserves today stand at 1,600 million dollars, following last year,s critical situation.

However, the switch to dollar-accounting in eastern trade is a source of serious tension. A decline in Soviet turnover of up to 50 per cent cannot be overlooked. The report projects a growth of convertible-accounting exports to the West of 10 per cent this year. According to the prognosis, the development of the GDP is expected to be -5, -5.5 per cent, which could result in a 6-6.5 per cent decline in domestic consumption. This means that the consumption of the population will drop by 4-4.5 per cent, and investments will decline by 7.5-8 per cent this year.

Inflation at the beginning of the year developed at the rate expected, and there is a chance that the consumer price index will remain within 40 per cent of the annual level, the report notes.

Journalists Briefed on Inflation, Economy

LD2903140491 Budapest MTI in English 1157 GMT 29 Mar 91

[Text] Budapest, March 29 (MTI)—In 1991, inflation is unlikely to exceed the 35-38 per cent mark, according to the forecast of the financial cabinet, journalists were told on Friday by an official of the Central Statistical Office (CSO).

On average, prices this February were up 32-33 per cent on February of last year and showed a 4.5-5 per cent growth compared to January 1991. The CSO official informed journalists that on the basis of a government decision and in compliance with the requirements of a market economy, price and wage indexes will be calculated along the lines of Western European practice.

Those selling sexual products in public places will be liable for police action, the Hungarian Government decreed on March 28. According to the new regulations, no sexual products may be sold to people under the age of 18, government spokesman Balazs Laszlo told journalists.

In order to eliminate the last obstacle hindering the production of Suzuki cars in Hungary, the Hungarian Government asked parliament to vouch that the state would cover the loans necessary for launching the joint venture. Such a guarantee is conditional on the mortgage of the [word indistinct] real estate, and an annual 0.6-per-cent guarantee insurance fee would be charged.

In another development, the government made a decision to accept loans from two Austrian financial institutions to go towards the renovation of Sopron (W Hungary) state hospital. 80 per cent of the loan will be vouched for by the Treasury, and 20 per cent by Sopron's local authority.

The European movement, of which Hungary is the 24th member, is to hold its next session in Budapest in September 1991. The session of the inter-governmental organization is being prepared by the Hungarian National Council of the European Movement.

The Hungarian Government is to send a high-level delegation to the world conference of the United Nations environment programme, to be held in Rio de Janeiro in 1992. A national working party headed by Prime Minister Jozsef Antall and Minister for Environmental Protection Sandor K. Keresztes has been set up for the purpose.

The government also decided to move that parliament declare Whit Monday a public holiday, increasing the number of public holidays to nine.

Inflation Up 32-33 Percent

LD2903140991 Budapest MTI in English 1152 GMT 29 Mar 91

[Text] Budapest, March 29, 1991 (MTI-ECONEWS)—Consumer price inflation in Hungary was 32-33 per cent in the year up to February.

An official at the Hungarian Statistical Office told the government spokesman's press briefing that the figure was lower than the expected 35-38 percent, suggesting that Hungary will not be plagued by runaway inflation this year.

The lower-than-projected figure is believed to be due in part to the recent drop in the prices of some meat and dairy products and other foodstuffs.

The Statistical Office official said that the method used to calculate the price index has not changed since the days of yearly plans and once-a-year inflation predictions. Now that the office is finding monthly indices better-suited to a market economy, month-by- month figures will now be published.

The first such calculation showed a 4.5 per cent increase in consumer prices in February.

Cancellation of Bielecki, Walesa Visits Explained

LD2803152191 Warsaw PAP in English 1355 GMT 28 Mar 91

[PAP headline: "Are Polish Premier and President Not Welcome in Moscow?"—all quotation marks as received]

[Text] Warsaw, March 28—"A visit to Moscow by Prime Minister Jan Krzysztof Bielecki, scheduled for next week, has been postponed by the Soviet side for a later date that has not been fixed yet," the GAZETA WYBORCZA reported today quoting unofficial sources, and added that "the date of President Lech Walesa's visit to the USSR is also threatened."

"Walesa was to pay a separate visit to Moscow in mid-April and Prime Minister Bielecki next Wednesday. On Tuesday, President Mikhail Gorbachev's press spokesman Vitaliy Ignatenko announced the visits by the Polish president and the prime minister "will be paid in the spring of this year most probably in the coming month and a half," the paper wrote and went on: GAZETA quoted counsellor at the Soviet Embassy here Lev Klepatskiy as saying that a change of the dates has no implied political meaning and is linked to tense situation in the USSR.

"The fixing of the new date encounters some difficulties because of the packed political time-table of the prime ministers of both states," Klepatskiy was quoted as saying. He also told the paper that the Soviet side wants the visits by the Polish president and the prime minister "to be distant from each other in time."

"Klepatskiy stressed that disputable questions between the USSR and Poland were very likely to be solved soon and that the Soviet side sent its draft of a new treaty on cooperation to the Polish Foreign Ministry and was ready to hold talks on this topic," GAZETA WYBORCZA reported.

Romania's Nastase Meets Legislative Speakers

LD2803152891 Warsaw PAP in English 1311 GMT 28 Mar 91

[Text] Warsaw, March 28—Romanian Foreign Minister Adrian Nastase called on Sejm and Senate Speakers Mikolaj Kozakiewicz and Andrzej Stelmachowski here today to discuss Polish-Romanian inter-parliamentary cooperation. Nastase, who is on an official visit to Poland, and Polish parliamentary officials believe this cooperation should stimulate the development of relations in other areas.

Possible Storage of Warheads To Be Investigated

LD2803173991 Warsaw TVP Television Network in Polish 1615 GMT 28 Mar 91

[Text] The chairman of the State Atomic Energy Authority has issued an instruction that urgent radiological tests be carried out in the Soviet Army training grounds in Pila voivodship. This is in connection with reports about the possible storage there of nuclear warheads.

Brokerage Offers 10 New T-72 Tanks for Sale

LD2803195191 Warsaw TVP Television Network in Polish 1830 GMT 28 Mar 91

[Text] The Efekt brokerage bureau has announced an offer for the brokerage sale of 10 of the latest Soviet T-72 tanks, straight from the production line. Every one of them was listed as strictly secret until recently. If you wish to buy a tank, then this armament costs $1.2 million.

Kaczynski Opposes Joint Democratic Union Pact

LD2803150991 Warsaw PAP in English 1340 GMT 28 Mar 91

[Text] Warsaw, March 28—In an interview published in the Warsaw daily RZECZPOSPOLITA, Jaroslaw Kaczynski, leader of the pro-Walesa Centre Alliance and head of the Presidential Chancellery, expressed his opposition to a pact with Tadeusz Mazowiecki's Democratic Union. Mazowiecki, the former prime minister had recently proposed a "non-aggression pact" between the two political groupings, but Kaczynski said that the proposal was very imprecise, and that he had only read about the proposals in the press. He added that there should be discussions on this subject at the highest levels. Kaczynski said that he saw no possibility at the moment of an agreement between the two political groups. "On (changes to Poland's) democratic and economic structures we are quite close to each other, but there is a sharp difference as to how we will implement those changes and as to which cultural values we ought to adhere," he stated. Any agreement would be artificial and would weaken our reform camp. The Centre Alliance would lose the support of a significant number of supporters, Kaczynski argued. "We say clearly what sort of pact we would like. It is a pact of agreement with the civic committees, the peasants movement and Solidarity," he said. Kaczynski was asked to comment on the proposals from the parliamentary group of the Democratic Union for a "pact for Poland." Jacek Kuron, writing recently in GAZETA WYBORCZA, had explained that this would not be a political agreement, but rather a corporate understanding between employers, workers, consumers and the government, operating through the auspices of Parliament. Kaczynski said that when the presidential chancellery tried to find out more about the proposal, it was told to consult the press about it. He therefore made no comment, and added: "I know one thing: the new understanding between the political elites, however this is to be understood, is currently too weak to have an effective impact on politics."

Christian Social Union Chairman Seeks Coalition

LD2903111591 Warsaw Domestic Service in Polish 0300 GMT 29 Mar 91

[Text] The chairman of the Christian Social Union says that this group will not be campaigning independently in the forthcoming parliamentary elections, but rather in an electoral alliance. Opinions are being tested in this regard. Kazimierz Morawski said that he did not anticipate a coalition with Christian Democratic and National Democratic parties since the union held an antinationalistic and ecumenical stand.

Walesa Attends Joint Jewish Council Meeting

LD2903061191 Warsaw PAP in English 0012 GMT 29 Mar 91

[Text] Warsaw, March 28—The Council for Polish-Jewish Relations gathered in the Belweder Palace for its inaugural session here today which was attended by President Lech Walesa. The council, set up at the initiative of the Polish president, is to propose and support actions to bring the Polish and Jewish nations closer together.

Taking part in the council's work are: Polish Ambassador to Austria Wladyslaw Bartoszewski, Czeslaw Bielecki, Prof. Jan Blonski, Father Waldemar Chrostowski, Dr. Andrzej Friedman, Prof. Jozef Gierowski, Pawel Hertz, Prof. Krystyna Kersten, Stanislaw Krajewski, Witold Lutoslawski, Bishop Henryk Muszynski, lawyer Jan Olszewski, Culture Minister Marek Rostworowski, Prof. Stanislaw Stomma, Prof. Adam Strzembosz, Prof. Jerzy Tomaszewski, Jerzy Turowicz, Zofia Wasilkowska, Stefan Wilkanowicz, Maciej Zalewski, and secretary of state at the presidential chancellery Janusz Ziolkowski.

Undersecretary of state at the president's chancellery Arkadiusz Rybicki acts as president's plenipotentiary in the council.

In a declaration adopted during its inaugural meeting the council, which is a body attached to the president of Poland, stressed that Jews and Poles have lived together for centuries on Poland's territory, co-creating this country's economic, cultural and artisitc life.

"The common past imposes on both sides a moral obligation to better know, understand and respect each other. The indispensable steps have already been taken. Poland and Israel have resumed diplomatic relations. More and more Jews, especially young people, are coming to visit Poland. Of great significance are also contacts with the Israeli politicians. Foundations for the protection of the common heritage are being set up. Fruitful interreligious dialogue has also been established," the declaration says.

The council also deplored the signs of anti-Semitism which occasionaly surface in Polish public life as, for instance, during the past election campaign. "The Polish president, parliament and government have more than once condemned any expressions of intolerance. The new, democratic Poland should be free of any phenomena of racism and xenophobia. It should be and it will be like this," the declaration stresses.

Meanwhile, the stand taken by part of Jewish circles which unjustly charge all Polish people with anti-Semitism does not favour reconciliation either, the document said.

In a short statement granted to PAP after the meeting Prof. Krystyna Kersten said: "We must begin with supporting the already conducted studies which should result in a report on the state of Polish-Jewish relations. The council's task is to take ad hoc measures in situations such as those which occured during the presidential campaign".

Prime Minister Concludes Visit to Silesia

LD2803201191 Warsaw Domestic Service in Polish 1800 GMT 28 Mar 91

[Report on interview with Prime Minister Bielecki by unidentified reporter; place and date not given]

[Text] Prime Minister Jan Krzysztof Bielecki ended his two-day visit to Silesia 30 minutes ago. These were two very busy days. Yesterday's activities ended a few minutes before midnight. The Prime Minister visited two coal mines: the Slask mine in Ruda Slaska yesterday, and the Zofiowka mine in Jastrzebie today. He took a lively interest in the problems of the fuel and power industry complex, an interest that was also served by his visit to the Rybnik power plant today. The prime minister also held many meetings with trade union activists, deputies, people connected with local businesses, scientists, students, and representatives of economic circles. He was also a guest of the self-management sejmik presidium.

[Begin recording] [Reporter] Prime Minister, what did you get out of this visit to Silesia?

[Bielecki] It gave me the opporunity to reach various circles and to present the government's stance on many subjects that are, at least in my view, important. I am looking for the lobby for reforms that would have a decidedly pro-market character, and I am looking for this lobby guided by a principle that is quite fundamental for me: It is that one must tell the truth and that this government cannot cheat. Regardless of what dreams society has, we must talk about the harsh reality that is ours. We are coming out of an economic collapse, which is something that one sees very clearly here in Silesia; these slag heaps show how an economy based on extraction in meters, in tonnes—that is, a centrally planned economy—has brought about devastation. These are losses that we shall, over many, many years, be rebuilding, step by step. For this we need a healthy economy and good, strong, self-management, which is something I very much like here in Silesia. This is an area in which thinking in terms of regionalism catches on

fast and is a natural ally—this is very important to my mind because it is a quick response to views that are very significant for the government.

Among the people I have met here, and among the representatives of economic circles, there are many who think the same way. I believe that I have also met people like that in some of the state enterprises. I was very happy to see that in the Rybnik power plant, a tendency to think in categories of a far-reaching restructuring of the enterprise is beginning; there is a search for good technology with this in mind, a search for a good Western partner. This is also a process that means a great deal to me personally and of which I repeatedly speak everywhere during my meetings: The process of slimming down the enterprise, as I call it, is beginning; that is, getting rid of the ballast that was once the framework of the enterprise. Of course, the whole of this ballast was included in the costs of extraction or production. [end recording]

Just before flying back to Warsaw, the prime minister went to the Staszic coal mine in Katowice where there was a cave-in today at about 1500. There were two miners in the vicinity of the cave-in, one of whom was dug out an hour ago. The rescue action is continuing to get the second miner out. Contact with him has been established.

Comments on Future of Mining Industries

LD2803230991 Warsaw TVP Television Network in Polish 1830 GMT 28 Mar 91

[Report on news conference by Prime Minister Bielecki with unidentified reporters in Jastrzebie; date not given—passages within quotation marks are recorded]

[Text] Prime Minister Jan Krzysztof Bielecki has been in Katowice Voivodship.

[Reporter] In Jastrzebie, Prime Minister Bielecki met with representatives of enterprises and also unionists from the mining industry. The discussion related to the economic situation of the mines, the safety of the miners' working conditions, remuneration, and also the disastrous ecological situation in Silesia. The Prime Minister answerd numerous questions regarding the future of the extracting industries.

[Bielecki] "If the mines have such a financial situation as they do have, then this results from the fact that for the first time we have started to have in the economy a currency, and a currency that has its value and fulfills the basic functions of money, also those that are known from the classic economics textbooks. Consequently, the situation of the mines varies. That is why Minister (Litko), together with his colleagues and the government, will finally present a program, or rather program proposals relating to the restructuring of mining, as organizational and financial resolutions must be applied that will be in accordance with the overall logic of the market economy."

[Reporter] The Prime Minister also met with the presidium of the self-government sejmik of Katowice Voivodship. They considered how to limit the damaging effect of industry and to achieve its restructuring in the shortest possible time, at the smallest social cost.

[Bielecki] "The matter at hand is that of restructuring Silesia, for that which was once profitable, because dollars were required and in association with this tonnes of coal were required, and these tonnes were produced and this physically so and sometimes just on paper, this is now a closed chapter. [sentence as heard] Today a healthy economy is required, based on economic accounting. That is why Silesia also needs the creation of new places of work, and here in some degree the labor fund will assist. New investors must be acquired, both domestic and foreign. Here there is a need to carry out major changes, for instance regarding the modernization of electricity power plants. This initiative, of these seven power plants, resulting in capital gain, the attainment of modern technology, and activity based on such technology as is not harmful to the natural environment, is very good."

[Reporter] There was a rockslide this afternoon at the Staszic coal mine in Katowice 500 meters below ground. Upon hearing of this, Jan Krzysztof Bielecki broke off his news conference and traveled to the mine.

[Bielecki] "I am sorry, for I have changed my program. We were to have left, and now we are going again to the mine, so I am in a hurry. Thank you."

[Reporter] Two miners were buried. Thanks to immediate rescue action, one of them was freed. The second is still below. He has a crushed leg. Rescue teams are in contact with him.

Comments on Economic Problems

LD2803233191 Warsaw Domestic Service in Polish 2032 GMT 28 Mar 91

[Report on visit of Prime Minister Jan Krzysztof Bielecki to Upper Silesia, including recorded excerpts from Bielecki's speeches and news conferences there]

[Excerpts] [Reporter] A good evening to you, ladies and gentlemen, from Katowice. This is Jacek (filus) and Andrzej Kotulewski at the microphone.

For two days we accompanied Jan Krzysztof bielecki who was visiting the Katowice voivodship. This evening he ended his two-day stay in Silesia with an unexpected visit to the Staszic mine. In the course of these two days the prime minister held a number of meetings. He started today with a visit to the Rybnik power plant, where a group of experts was discussing the possibilities for modernizing the generator sets which would allow a significant fall in the noxious substances emitted into the atmosphere and an increase in the effectiveness of the

power turbines. The prime minsiter listened with attention to the explanations. [passage omitted] The management of the power plant asked the premier whether the state might support the modernization program of the Rybnik power plant.

[Bielecki] A power plant or any other enterprise, when it decides to tackle modernization, must answer—for itself—a series of difficult questions which I call—using slang—a slimming-down of the enterprise, and until this is done we shall never uncover the true cost of production. Credits will appear in Poland when there is economic stability. If there is none, then no one will supply financing.

[Reporter] From the Rybnik power plant, Jan Krzysztof Bielecki went to the Zofiowka Mine in Jastrzebie where he met representatives of three trade union federations that deal with the mining industry.

The miners asked, first of all, about the payment of profit bonuses - this concerned many systemic solutions. The prime minister also said that he would need some time before furnishing answers.

Is the situation in the mining industry genuinely so tense, so muddled, that it cannot be adapted to the general principles of reform now being introduced in Poland?

[Bielecki] The mining industry must be adjusted to the general principles because the industry must be guided by economic calculations, but you have heard the statement made by the director of the Moszczenica mine which can only lead one to have a heart attack. The director of the Moszczenica mine explained what additional costs must be added to one tonne of extracted coal. He added that he maintains 3,500 homes; that this increases his dividend; that these homes cost him 30 billion zlotys [Z]; that on top of that he has to keep up the hospital; that he has a few sportsmen and that he has a system of cost records which only shows up in the total summing-up because he has been forced, all this time, by the central administration to extract coal at any cost. Today—if one wants to make a decision regarding the mining industry or individual mines—one must know whether a particular mine is profitable or not.

[Reporter] Nobody knows this for sure.

[Bielecki] Well this has been proved, time and again, by the statements of successive directors. Furthermore, it has to be said quite clearly that the moment has arrived: It is necessary, before any decision is made, to get down to zero level—how much does it cost? Not how many tonnes can they extract, but for how much do they extract them? Which mines are profitable and which are not? Then one can build the policy of the state. This cannot be an account of 70 mines but of each of these 70 mines individually.

[Reporter] Prime Minister, the directors also demanded a sort of energy balance. Is the state also moving away from this?

[Bielecki] The state will define the level of minimum needs, even if there should be such information it would apply to a level of 30 - 40 million tonnes and not 200 million tonnes—which is what existed once, apparently—even though it may have been only on paper. This fiction is over, and now there will be no signals from the central administration that extraction must be increased at any cost and that extra subsidies would be available in exchange. No, on the contrary. The facts are such that if export is not profitable it is not worth it. The facts are that if there is a certain energy safety level for the country, then it cannot be at a level which would again give great prosperity to the mining industry.

Before we know the truth about our own economy—that is, briefly speaking, how much everything costs—then we will not be able to take sensible decisions. [passage omitted]

Minister Boni did not report on draft amendments to the law on employment last week to the effect that we may now continue with the policy of benefits we had last year. That means, in principle, as workers used to say, it is not worth working for Z100,000, because one could often get more by working hard in relation to what one could receive, as it were, free. One took money, one showed up there only to take that card, and there was all this insurance policy available to everyone in Poland—that is, full health care. So when one moonlighted a bit, it was, in short, a way to live through the crisis. I think this cannot last much longer and we will be tightening here. The possibility to organize life by means of a benefit, [changes thought] benefit and unemployment are tragic things, tragedy for both sides, and we will start public works, we will change the relation between pay and benefits. That is why having a job will be an essential value in the near future. This is why you cannot say that miners were cheated by someone, although I think because of all those myths from the past, those privileges they had—although one can speak about it in different ways—result in the fact that nobody found out how much a miner will relatively lose in 1990 in relation to the communist system. [passage indistinct] I think it follows from the fact that this ethos of works really exists here in Silesia. Perhaps this tradition and respect for work create such great values that they are impregnable even for the communist system. [passage omitted]

[Bielecki] I think that the WPK [Voivodship transport enterprise] unfortunately needs an axe used on it. It needs to be chopped up. [indistinct interruption]. Well yes, but would it not be a hasty step to bring the level to, say, the Warsaw average, when in turn, for example, the Pila voivodship would want to be at the Katowice level. We will not be able to sustain this; I do not think there is the slightest chance of it; everything will snap at a certain point.

The bowl of demands and expectations is a large one. The greatest one at the moment is the bowl of expectations of the farmers. If the government falls—well, by the time the voivodship transport enterprises bring about its

fall—then the farmers will make it fall, as these are truly billions of zlotys that they demand, for they want profitable production and then they want everything that they produce to be bought from them. Well, there is nothing that can be better done for Silesia if it is healthy in the spirit that you stated here, of this rationalization of energy usage. Finally, some symptoms have been manifested in that Rybnik, but this is but the first step. As it transpires, one electricity power station (?arouses) the next ones—these are then not so enthusiastic to follow those steps so intensively. Well, then there appears the issue of the sources financing this program—that will cost hundreds of millions of dollars—and then the government, let us say, can give guarantees or else explain at the World Bank, for instance, this way of spending credit finance money. This is a concrete preference, and this is what can be done. On the other hand, it is necessary to seek resources outside and not devise this budget that is on its last legs, that is threatened by this super-optimistic [word indistinct] of 15 billion income from privatization, which [passage indistinct], which might cause its breakdown. We are already in the first quarter. There ought to be, if someone could divide it up, 15 [word indistinct]. It is still easy to calculate—well, three would still be useful at least, but the billion cannot be seen, nor half of it indeed. This was altogether such a sum—of course, the Sejm exagerrated on the other side, on the side of expenditure, between various lobbies, and at the moment the problem is rather that either we will (?tremble into) this budget, or else it will disintegrate, and then this problem will not exist, as every professional group will be able to calmly tear their portion away, we will flow with inflation, something in the fashion of South America and [word indistinct] everyone will purportedly be happy.

[Reporter] The final item on the agenda of Prime Minister Beilecki's visit in Silesia was to have been a news conference. It lasted barely 20 minutes, because while it was going on the news came from the Staszic mine that a mining accident had taken place. The prime minister decided to go to the site of the disaster. Before this, however, he answered a number of questions. In relation to the strike today, he was asked about the reaction of the government to strikes and protests of a remunerative character.

[Bielecki] Soon, we might have such a situation in which we will be put in the situation of people who will, well, be able to rent out that square in front of the office of the Council of Ministers for particular demonstrations, for one group will be leaving and a second will already be pressing forward to demonstrate and present some petition—this is, of course, a great tragedy. I am talking about this in this jocular way, but well, this is a tragedy that, in fact, relates to the whole of society. The farmers are pulling the bedspread toward them and are saying—and there are 38 percent of them, the people living in the countryside—that now we must produce at such a price that it will be profitable for us, but if we produce something then you must buy it from us, for we are looking to the food security of the nation. To this, the miner will say that he is looking to the energy security of the country, and the health service will say that it seeks the health security of the nation. I will, just as in ping-pong match, turn my head from side to side and listen which group must immediately be given something so that it will stop protesting.

That is why it is necessary to tell the naked truth; furthermore, and work above all must become a value in this country, and not the level of earnings. For these are the main realities of our situation and our tragedy and our economic [?decline]. What I am saying, which some of you are writing down without a pause, these are not pleasant things and sound altogether appalling to the ear. If someone says that something will appeal in five years time and at that moment there appears a man who says that he has a prescription for things to be good tomorrow, then of course one willingly listens to him, right? Mr. Tyminski excellently explained how, through a tax mechanism, one can wind up demand in the economy in Poland as of tomorrow. Well, at the moment, the greatest threat that there is in Poland in the philosophic-doctrinal sense has returned for me, namely that there is a third road.

I fought against it in the Sejm on every front. When we had the privatization law, this fight was essential because this was a law of a systemic nature. Then this matter quieted down only to be reborn again—that there is some third road for Poland or some splendid solution. More than a year ago, during talks with the Germans, we used such a phrase that this was the splendid solution—the third road to the third world. But it does not [word indistinct]. On the other hand, expectations are immense. I would suggest to all those advocating the third road to go to the GDR, simply so they can see the clash between the myth and reality.

As far as dangers are concerned—there are many, and they are external also—we have had a very realistic approach to trade with the East. We [word indistinct] that this was an essential market, that it cannot be impregnated by some hopes which, according to me, were artificially created in the Gorbachev decree, after which the immediately expected to go over to a dollar settling of accounts. Today, all this has crumbled. We have a number of proposals aiming, to put it in the briefest possible way, at currency clearing; we are open to trade; we can deliver technical credit just to be present on this market; and we are expecting the same partnership approach from the other side, because it is important to have good relations with neighbors.

Besides, one can generally say that the development of the global economic situation is another danger. We can see what is already known, namely that the Gulf war would not create such a boom as was created after the Korean War, when good trends appeared—and this is something we need, because we want to search for free financial resources and attract them at all costs to our country on this competitive market. Today competition

is great, there are several dozen countries that would like to have the resources. I think that the reduction of our debts produced the psychological opportunity that Poland is a country worthwhile entering. Now one has to show oneself on this market, because in addition to not being a megalomaniac, Poland is as good a country for investment as the Philippines—or maybe even the Philippines is a much better country for it.

There was a stereotype that we were taught at school and that was explained to me, that Poland is the 10th or so econmic power in the world. Well, this is not true. As far as our position in relation to the value of our debt is concerned, it gives us the 108th position in the world. If we look at the so-called credit credibility before the reduction of our debt, we held an even worse position.

Thus, Ghana was decidely in front of Poland and not behind Poland. People here don't want to believe this either, for there is this myth that we are are a power, and that everyone measures up to our ankles. In general, demagogery. For instance, if there is talk of a sell-off of the national wealth for free, or else Polish wealth for free, then everyone repeats this over and over. Several dozen hours were spent on this topic in the Sejm, but when one looks at the figures then nothing transpires from these things, right? Quite the contrary. Ten million dollars in ready cash were invested in Poland in 1990. It would be good if this figure changed, and that of the units from millions to billions. We sold 336 hectares of Polish land, yes? That is less than one factory. So what are we talking of here? Nonetheless, this topic returns, and there is constantly this man who tells lies, finds mmuch more recognition and more respect among his listeners than one who quite simply bases himself on facts.

In conclusion, I would like to say one thing, that of course there is one threat that we have seen in Berlin—a demonstration; 75,000 people who shouted "Commies come back," or "Back with the old." There is a feeling in society of being under threat, a lack of certainty as to the direction of development of our state, which is far more difficult after all with a market economy and to understand this then with a centrally planned economy. This is our greatest danger, that the fear of the new will cause a despairing desire to return to the old, where everything was after all more arranged, perhaps not so much in the real sphere but at least in the sphere of announcements, slogans, and regulations. [passage omitted]

President Iliescu on Price Liberalization Issues

AU2803151691 Bucharest AZI in Romanian 20 Mar 91 p 2

[Statement by President Ion Iliescu at government meeting on price liberalization in Bucharest on 19 March]

[Text] To begin with, I want to explain why I am attending this government meeting. As the prime minister has emphasized, everyone has been waiting for the second stage of price liberalization with concern and worry. The information that has spread in various forms has generated tension among the public. I have had contact lately with the representatives of parties and parliamentary factions of the two chambers; I have met with trade union leaders from major units in Bucharest and Cluj, I have conducted a number of talks with people in economic units and county leadership, and today I met with the representatives of "Fratia" Trade Union leadership. Certainly, here we have a combination of two aspects. On the one hand, we are talking about the progress of the economic reform—and almost all political and social forces understand the need for consistent, constant, and coherent measures for cooperation among the new economic mechanisms designed to place the economy on a sound foundation; price liberalization is one facet of this process. To this, we have to add the wage liberalization about which negotiations are being held between trade unions and economic units. On the other hand, there is the social problem of social costs. The government program, as well as the program of numerous political formations, and that of the National Salvation Front place stress on efforts to combine the two aspects, namely to place the economy on a new and sound foundation and to ensure the efficiency of the economic activity, while social costs should be kept as low as possible within the limits of the economy.

This made me conduct direct dialogue with government members in the past two weeks in connection with formulating these two measures for the period beginning on 1 April; I have asked to participate in the government's final discussions that opted for the most optimal version from the point of view of dovetailing the two aspects.

I believe that a formula has been reached that will ease social tension and ensure the necessary levers for economic units to enable them to guarantee normal activity. Certainly, this process will not end here. It will continue in the years to come to place our economic activity on a much more effective foundation. For the time being, however, we are witnessing—in this respect—a certain decrease in industrial output that has not been stopped yet. Thus, the measures that are being taken, along with other measures, have to bring about a recovery of the economic and productive activity in the course of this year. Without them we will not be able to secure the necessary sources to ensure normal economic activity. At the same time, however, we have found boundaries and ways to keep these inevitable price increases in a number of essential products within rational limits, and we have also established appropriate compensations to make the social cost of these economic measures bearable. I hope these measures will be well understood by the public at all social levels. Efforts have been made to seek the necessary resources for employees, pensioners, children, pupils, and students—that is, for various social strata, so these price increases are bearable for them. I believe that a natural result of and reaction to all this should be the mobilization of productive and economic factors, and the stabilization of the productive activity in industry and agriculture, so that—beginning with the current year—our national economy will start recovering on rational bases. This is the political appeal, the political message which I want to address—as president of this country—to all politically and socially responsible officials, and to our country's entire nation.

Oppositions's Antigovernment 'Message' Decried

AU2903111191 Bucharest AZI in Romanian 23 Mar 91 pp 1,3

[Florin Diaconu article: "Five Jackals Watching a Reform That Does Not Die"]

[Excerpts] The "Message to the Nation" issued by the National Convention for the Establishment of Democracy and broadcast by ROMPRES, is an ingenious mixture of half truths (meant to confer on the document a "facade" to ensure its credibility, without which the content would lack impact) and of "flagrant lack of truth, calumny, and denigrations" (just to use the expression of the National Salvation Front [FSN] parliamentary group president, Mr. Alexandru Albu, who presented to the Deputies' Assembly plenum, during the 21 March 1991 meeting, a communique that includes the Front's position regarding the "Message" of the National Convention for the Establishment of Democracy, which is considered to be "a virulent attack against the young Romanian democracy." [no closing parenthesis as published]

I do not think that an additional alarm signal from the opposition to stress the real and quite numerous difficulties of the transition period and the period of the reforms' application would bother anybody; however, to identify some real problems and mix them with lies and propaganda of the poorest possible quality aimed at building a catastrophic artificial picture of the current period displays an extremely worrying lack of political fair play. To build and use a super-catastrophic picture regarding the current period and on this imaginary basis (not to call it mendacious) to invent and launch vulgar accusations against the current leadership, all this is the type of political attitude that can be seen emerging from the political press of the opposition parties. [passage omitted]

What we consider the strangest aspect is the fact that the leaders of the Hungarian Democratic Union of Romania

[UDMR] signed the "Message," which includes serious accusations (but also some that are not proved or are impossible to prove) against the way in which the current leadership is "crushing" minorities, while in the Senate only a few days previously (on 18 March 1991), Mr. Geza Szocs had said the following: "On behalf of the hundreds of thousands of participants in the 15 March commemoration, the UDMR conveys its thanks for the understanding and the support granted...by some organizations and the authorities.... Thus, we thank those ministers, directors, and prefects...." Therefore, we ask the question that we have the right and the duty to ask: If the UDMR thanks the current leadership, can the leadership also be accused—by the same UDMR—of "incitement and chauvinism" and other methods of persecuting minorities? (Starting from the premise that the UDMR leaders—who, let us not forget, represent for the time being the second largest party in the country—are serious politicians who do not make mistakes and do not forget, then it seems normal to ask them in which of the two cases did they lie, grossly falsifying reality: When they thanked the leadership or when they accused it?!)

We believe it is strange (and much more serious) that this reform is questioned, that economic reality is presented as having "continuous and progressive degradation" as its major characteristic, and that it is said that the economic reform initiated by the government has proved to have a purely formal character." These statements seem to me uncertain and serious, because the opposition (or rather what could and should be the opposition but unfortunately is only a pitiable circus of dubious taste) seems to suffer from a serious case of amnesia, when it hurries to sign a "death certificate" for the reform (in whose legislative drafting it fully participated) that the IMF recognized as a valuable, applicable, and theoretic scenario. (Or, do the Romanian Ecological Party, the National Liberal Party, the National Peasant (Christian Democratic) Party, the Social Democratic Party, and the UDMR wish to convince us that the FSN bought and/or cheated the IMF as well?!)

P.S.: As a matter of fact, the "Message" could very well be considered as a possible scenario of the anti-Front, anti-leadership "spring campaign," if, during the FSN's National Convention held a few days ago, the Front had "broken" into pieces; if, during the rally organized by the "Alfa" trade union cartel, 1 million people had come out from enterprises to demonstrate and not only a few thousand; and if...; and if...then the "message" would have possibly been useful to the opposition, which signed it as a—possible—final blow to the current leadership. We are awaiting your next "move" gentlemen, "patriots" of the five parties that signed the "Message"; but hurry up, because the passing time and the application of the reform works against you and your impertinence (which is exceeded maybe only by your inability to come up with solutions).

FSN Vice President Discusses Party's Future

AU2803211591 Bucharest ROMPRES in English 2040 GMT 28 Mar 91

[Text] Bucharest, ROMPRES, 28/3/1991—As a party, the National Salvation Front [FSN] has taken a road that is unlike any others we know from experience. The new stage the country is at also calls for a reorganization of the political spectrum, says the vice president of the FSN steering board who foresees the chances for a realignment of political forces in Romania by this autumn.

The recent FSN National Convention was "more than just an organizational test or a political gathering; it marked a turning point in a political process of clarification and re-alignment inside the FSN, and of delimitation and reference outside it" says Vasile Secares, vice president of the FSN Steering Board in an interview with newspaper "AZI".

Speaking about certain trends that had been apparent in the Front of late, the FSN officer showed that the FSN had to delimit itself from the nostalgia of "reforming the old system" or of "retaining what was good in it", to "reject natural leftist options" made on the basis of mental patterns and more generally of the psychosocial and cultural legacy of the past; the question arose of refusing to bow to the populist temptation". The convention sanctioned the clarification correlated to the demands of the new stage that the political process is about to enter, Mr. Secares said.

By and large, the convention lived up to his expectations, although he admitted that the political-ideological clarification within the FSN had been short of complete. However, it did provide the framework for a different approach to the problems of the FSN which started a new chapter of its history. The convention, says Mr. Secares, marks a potential starting point for the reorganization of the Front as a political party.

In reference to the present political moment in Romania, Mr. Secares said that construction was the top priority, which required that solutions be found by making good use of our brains, and of our competence. We might as well say that this is a race against the clock for the reconstruction of the political and economic managerial elite of the country, and that the FSN must play a leading role in this process, he stressed.

The reorganization of the Romanian political spectrum is another subject that Mr. Secares brought up. In his opinion, that process is bound to develop very fast and next autumn the distribution of political forces may be different from what it is now. The Front must be ready to join the process one hour earlier.

This "rehabilitation of politics" Mr. Secares wound up, will help meeting other demands in the period ahead, namely to provide the means, the instruments Romania needs to promote its interests in Europe, especially in Central and Eastern Europe where economic, political and military structures are being reorganized.

Ministry Cadres Discuss Human Rights

AU2803221591 Bucharest ROMPRES in English 2057 GMT 28 Mar 91

[Text] Bucharest, ROMPRES, 28/3/1991—The Ministry of the Interior headquarters hosted a meeting of cadres in charge of human rights affairs in the Foreign Affairs Ministry, the Ministry of National Defense, the Prosecutor General's Office, and the Ministry of the Interior, a communique reads.

Aspects were debated concerning international pledges Romania assumed under conventions to which it is a party; cooperation with international relevant bodies, in emigration and immigration included—in the context created by the recent ministerial conference in Vienna organized under the auspices of the Council of Europe; modalities of cooperation among the aforementioned institutions to elaborate the necessary internal regulations—the regime of foreigners, the status of refugees, and others—answers to intimations by international forums and proposals regarding Romania's adherence to further international conventions, those concluded under the aegis of the Council of Europe in particular.

On the occasion the modality of future cooperation was set as well as the expansion of cooperation with representatives of other institutions with attributions in the field of human rights.

Foreign Minister Nastase on Hungarian Relations

LD2903110491 Budapest Domestic Service in Hungarian 0600 GMT 29 Mar 91

[Text] Bucharest—The Romanian foreign minister does not deem it desirable for a third state to mediate between Hungary and Romania because he feels that the realtions between the two countries are developing favorably. Adrian Nastase replied in a Romanian daily to the question of whether the USSR influences the development of the Hungarian-Romanian relationship. According to the head of Romanian foreign affairs, several concrete measures show that there is a means for developing Hungarian-Romanian cooperation.

Markovic Addresses Cooperation Seminar

LD2903000491 Belgrade TANJUG Domestic Service in Serbo-Croatian 1855 GMT 28 Mar 91

["Federal Executive Council President Ante Markovic's Address at a Seminar on Prospects of Cooperation Between Yugoslavia and Developing Countries"—TANJUG headline]

[Text] Belgrade, 28 Mar (TANJUG)—I am not able to attend your meeting until the end because I have to chair a session of the government, and I therefore wish to say a few words in particular.

Why was the Federal Executive Council [FEC]—through its departments—the initiator and one of the organizers of this meeting?

The reforms have entered a stage during which we have to deal with issues that are crucial for the further successful continuation of the reform process. In themselves the reforms contain not only a change in the structure of our economy, but also a change in the system itself, starting from the character of ownership, via the establishment of the market, a new role and function of the state, and changes to the political system, going as far as the role of economic subjects, their independence and responsibility for their own economic, managerial, and other decisions. Our reform process was yielding extraordinarily good results until last autumn, combining the conditions of reforms and macroeconomic policies which were complemented by this reform program—and could have been not just in the interest of individual parts of society, as well as society as a whole, but also an example to all others of how to move from one system to another at minimal social, economic, and political cost.

This reform process in our society has been halted since last autumn. It has been halted by political struggles, by the establishment of various political options in various parts of our country, but often with the same totalitarian ambitions alongside the reform process. You are the ones who can best feel this, since you have enough courage to speak about it. Instead of continuing the process of further deregulation and liberalization in our society, the state and the political structures are ruling our economy and those of you who are present here.

We are aware of the fact that the reform process is not simple. Old ideologies are being replaced by new ones, and what we need is pragmatism. We need practical solutions that will ensure that our society, while changing itself, both changes its structure and considerably increases labor productivity and the effectiveness of the way resources are being used. In this respect we believed that a prerequisite for such changes to our structure was not only the changing of the system itself, the creation of the conditions and climate for these changes in all segments of our society, but also our brave opening up to the world and inclusion in world developments in the sphere of knowledge, technolgy, labor, capital, the commodity and service market—all that which today constitutes the wealth of modern economic relations in the world. We also knew that the reform of our society, as well as an increase in social product—and this means an increase in production—were not realistically possible without our powerful economic expansion in the world. The most difficult problem is restructuring the economy while making people redundant in the process. It is equally difficult to restructure in conditions in which enterprises are being over come by panic, left without economic subjects, without leading structures that are now being filled by people without education or skills, unacquainted with the conditions that exist in the world. On the other hand, without sufficient motivation among the people, without their stimulation, faced with leveling that is increasingly present among both individuals and enterprises, as well as in society as a whole, the process is in fact being turned the other way around—instead of stimulating and motivating people toward competition, in many enterprises people are concerned not only with how to pay out wages, but also how to save their own skins. Today many structures do not even care whether there is any work or not, whether they are going to work or not.

It is in our interest and it is our concern that the course of the reforms finds its place more and more, and that we all together, and society as a whole, work toward a resolution that will mean the employment of people and the employment of capacities, something that will generate new value, and will not only redistribute existing value more and more by placing increasingly high taxes, increasingly high levies, and increasingly great contribution on an increasingly weak structure for production.

As a result, we considered that the time is coming in which a critical battle is to be waged for the further continuation of the reforms. In this period we should take a look together to see what these areas are, which segments of world markets and trends these are, what tactics we should use as a society to go to these markets and to make available space in them for that sector of our economy—manufacturers of equipment, investment projects, those involved in construction and assembly and installation work—which has hitherto shown its competitive capability on the world market. It could, by restructuring itself in much more difficult conditions, given the great decline in our political rating and the high growth in non-commercial risks in our country, fighting on the world market—provide proof that forces exist in our society that are capable of obtaining contracts on the world market in conditions of exceptionally difficult competition and of further developing themselves and society. In this process we have been aware that some traditional markets—especially for products such as investment equipment and services, such as investment projectsm, which for years, if I can use this expression, were ours—such as in the countries of Eastern Europe and the USSR, are in such enormous difficulties and have such enormous problems, not only of a structural nature, that for many years we cannot expect anything like the position we used to have in these markets.

We were very fortunate because our economy had much earlier freed itself from these markets; apart from this it was not, as was the case for some other countries of the former CEMA, in a situation in which 80 percent or 90 percent of its experts were tied to these markets but, starting from a one-time 40-odd percent, we have gradually but permanently changed this relationship over the last 10 years or so, and today they amount to a total of some 12 percent of our total exports, including of course expenditure, construction, and other projects.

It is obvious that at least in the foreseeable future—and this at precisely a time when we most need expansion—we are not able to achieve expansion in these markets. In our market one of the basic problems is how to open up new development possibilities. Of course, much more time would be needed to speak about this. We are working on this intensively. If we are unable to obtain the support of the IMF and other world institutions, then believe me, not only is there no prospect of the beginning of some new development in our country but we will literally have economic and industrial chaos. After all, we must repay to foreign countries $4.5 billion during this year, even though we have a decline in production and in the real social product.

I believe that it is clear what this means.

There is simply no choice here. Regardless of all the views of various political structures and of our various states that often completely neglect and underestimate this factor—without the continued reforms in our society (I go even as far as this) without the adoption of the well-known 11 proposals that the FEC has proposed to our society—there is no chance at all that we might obtain a contract with the IMF and recieve the necessary funds. As a result, it is not to be expected either that on the domestic market in the near future, especially this year, we will have great opportunities that will facilitate the employment of these capacities.

If we continue the reform process and obtain support—and not only support, but if we again become a country that has a high political rating, and we could do this very quickly, returning to the reform program and the process of changes in our society that was halted last fall, with the still strong foreign currency reserves and with the still strong possibilities of operating in the monetary sphere and in the sphere of economic relations with foreign countries—we will be able to open up this process more intensively from next year, and maybe already at the end of this year. We must think in realistic and objective terms and organize ourselves in the best possible way in the world market, and not only in the western market where in the last two years we have already achieved a great leap forward (in some places as much as 40-50 times greater exports of our goods, servies and our labor). This cannot, of course, be maintained as a trend for a long time. In any case last year we achieved approximately 50 billion of overall trade with the world. We will not be able [to be successful here], despite further expansion in these segments of the world market, without entering the huge area of the insufficiently developed world. We must choose within it those partners to whom we will not give away our labor, goods, and business operations, but from whom we will be able to extract payment, where there is maximum coordination between the organs of the states, your associations, organizations, and individual subjects, in a unique strategy of our participation in the [markets of the] world, and by selecting tactics to suit the specific conditions of some country. We should go for the sort of participation where we will be able to coordinate all the resources we have in the country so this participation, in the interests of each of you, of all parts of the country, and of the country as a whole, might be successful. We request that all segments of our society support this and that they do not concern themselves only with how they will obtain money, but also with how they will help to generate money.

We know that both knowledge and organization—i.e. people and money—are needed for a breakthrough, especially in tnis sphere; in other words, we need the maximum coordination of all factors. As a state and as a federal government, we are prepared to do our part of the job. You can count on us as not only your allies but also your co-fighters in this breakthrough in all parts of the world, even in the ones where—owing to the principled policy we have led and everything that has taken place lately regarding the Middle East—our rating went up, and we have made political preparations for an even greater breakthrough, our breakthrough, in this part of the world. In addition, we do not believe that we should be doing your part of the job, just as you will not be doing ours. Our job is to help you in opening up the ways forward, to help you in everything we can, as well as in arranging organized (market) performances, and everything else that could lead to your obtaining technological and material support for such a breakthrough. It is up to you to carry out the job, to set it up, complete it, and thus realize the breakthrough onto the markets, and at the same time to secure your own employment and development.

Together, in this way, through what we are doing, we shall give the greatest contribution to the further process of reforms in our society. Reforms have already reached such a stage that they cannot now be turned back by anyone, said Ante Markovic.

Split Summit, President's Agenda Analyzed

LD2803095191 Belgrade TANJUG in English 0823 GMT 28 Mar 91

[Text] Belgrade, March 27 (TANJUG)—The Yugoslav daily BORBA wonders in its tomorrow's issue whether Serbian President Slobodan Milosevic and Croatian President Franjo Tudjman can offer anything new that is neither retailoring nor haggling in the interest of some nations and against the interests of others.

In a commentary on talks of the presidents of the Yugoslav republics on the country's future, which open in the central Adriatic town of Split tomorrow, BORBA says that Milosevic and Tudjman come to the talks convinced that, if they took the initiative, they might consolidate their positions in their respective republics.

Milosevic and Tudjman held a surprise meeting on March 25, from which no statement was released, so that the talks in Split are expected to disclose details of this meeting.

VJESNIK OF Zagreb says in its tomorrow's issue that the republican leaderships have probably realized that solutions can no longer be sought at the federal level. According to VJESNIK, the first step in this direction has been made by the surprise meeting between Tudjman and Milosevic whose connotations are certain to produce far-reaching effects.

The meeting embodies the readiness of the two key republics to come to grips with the true dilemma - conflict or agreement - through talks, says VJESNIK. For this reason, the meeting in Split may be expected to mark the beginning of a historic reorganization of Yugoslavia, the daily concludes.

Federal Reconstruction Issue Viewed

LD2803124491 Belgrade TANJUG in English 1137 GMT 28 Mar 91

[Text] Belgrade, March 28 (TANJUG)—The federal daily BORBA today quotes unofficial sources as saying that the Yugoslav state Presidency will today discuss a reconstruction of the federal government of Prime Minister Ante Markovic.

The same sources also believe that today's meeting of the presidents of the six Yugoslav republics in Split could open with a review of the economic situation in the country.

The daily BORBA says it would be more precise to describe the Split talks as talks "on the fate of the federal government."

The federal government of Prime Minister Ante Markovic was also on the agenda of the meeting held between presidents of Serbia and Croatia Slobodan Milosevic and Franjo Tudman three days ago, at which BORBA says a deal was struck and spheres of interest in Yugoslavia divided at the expense of the federal government and Prime Minister Markovic.

Prime Minister Markovic has not been invited to the Yugoslav summit in Split, as BORBA sets out. The daily says that the federal government is waiting with interest to hear the answer to the question of how it is possible for the heads of the republics to hold talks on a new economic concept without any federal government member attending.

The Belgrade daily POLITIKA today analyzes the federal government's performance over the past two years, and says that the initial results have to a great degree "melted away."

"Practically not a single goal of the economic policy has been achieved so far," POLITIKA writes, and singles out in illustration the devaluation of the dinar and last year's deficit of 4.6 billion dollars, the highest in eleven years.

POLITIKA feels that there are enough reasons for the replacement of the Markovic government, which it says many shun as a solution, "fearing that we will lose the support of international financial institutions."

POLITIKA asks what kind of support it is "when we do not get a single dollar of benefit from it." The daily maintains that foreign partners would not deny support to some other federal government which would be "Yugoslav and reform-oriented."

Summit Proceeds; FEC Dismissal Urged

LD2803143891 Zagreb Domestic Service in Serbo-Croatian 1400 GMT 28 Mar 91

[Text] HINA [Croatian News Agency] has unofficially learned that Croatian President Franjo Tudjman's introductory speech, in which he presented a Croatian proposal on the alliance of sovereign states or disintegration, was followed by a two-hour discussion in which all republican presidents took part. Slovene President Milan Kucan spoke about a Slovene proposal on separation and expressed his wish that all other republics should present their own proposals in due time to find a way out of the crisis as soon as possible. Serbian President Slobodan Milosevic repeated his previous proposal that, to avert an economic collapse of the whole country, the Federal Executive Council [FEC] should be dismissed. Stands of other participants in the discussion are unknown at the moment. But, according to unofficial sources, it has been learned that the talks are being held in an atmosphere of openness and free presentation of stands without confrontations.

Presidency Reportedly 'Thrown Out'

LD2803153691 Belgrade TANJUG in English 1314 GMT 28 Mar 91

[Text] Skopje, March 28 (TANJUG)—The Presidency of Yugoslavia has definitively been thrown out of the game regarding the future state order of Yugoslavia, describes in its Thursday issue the Skopje daily NOVA MAKEDONIJA the meeting of the presidents of the six Yugoslav republics in Split. This seems also to shift somewhat the position of the Federal government which "evidently—according to the functions it has and according to the way in which the world looks upon the program of the Yugoslav Prime Minister Ante Markovic—poses a thorn in the side of all those who cannot reconcile themselves with the thesis that a Yugoslav community

was needed at all and that it should exist according to its contents and not according to what it is to be called," the paper writes.

In the view of NOVA MAKEDONIJA, "many dilemmas regarding the summit in Split stem from the recent unannounced Tudjman-Milosevic meeting, from which a very scarce announcement was released and from which it may be inferred that an accord was reached between Yugoslavia's two largest republics."

"Both sides have backed down only so much as was needed to save face. At the expense of the third party—it is understood," the daily sets out and asks whether this third party is the federal government, to be sacrificed at the expense of certain concessions on the part of Serbia towards Knin, part of Croatia predominantly populated by Serbs.

NOVA MAKEDONIJA concludes that the reactions to the Tudjman-Milosevic meeting from other quarters only serves to testify that the talks cannot be led in secret because the people want to know who decides and what is being decided when Yugoslavia was at stake.

Summit Information Reported

AU2803164091 Ljubljana Radio Slovenia Network in Slovene 1430 GMT 28 Mar 91

[Nadja Pengov report from Split on 28 March]

[Text] Let us first see what is happening in Split. It is true that there is still no official information about today's talks among the republican presidents there, but some unofficial news has nevertheless leaked out and reached journalists following this summit.

The talks, held in the official villa of Dalmacija in Split, represent the new round of negotiations on Yugoslavia's fate. They started at about 1130 and, except for the lunch break, are still under way. This time the partners in the talks are the presidents of the Yugoslav republics, that is the presidents of the republican presidencies.

As we have learned, the presidents decided to spend today's entire summit on working talks and thus canceled the tourist part of their visit to Split. Because the talks are still under way, there is still no official information about them. Also, the afternoon news conference has been called off. In the afternoon the journalists were also prevented from entering the extremely well- guarded villa of Dalmacija. We were told that Serbian President Slobodan Milosevic alone is guarded by approximately 50 bodyguards. Thus, there is no official information about the talks, but we nevertheless managed to obtain some semi-official information.

At about 1400, that is, before the lunch break, the presidents were still discussing what issues should be put on the agenda, that is, the priority issues. Wishes, however, differed. Croatian President Franjo Tudjman, as the host of the summit, made two proposals. First, to talk about the proposals for a union or community of sovereign republics and second, to discuss the proposal on consentaneous separation. President Tudjman advocated the adoption at today's meeting of an agreement on both variants. In his opinion, today we should also reach an agreement on the role the federal organs should play in the transitional period. This refers to the federal presidency, the federal government, and the Yugoslav People's Army. He also advocated the issuing of a special statement to the public after today's meeting.

Slovene Presidency President Milan Kucan proposed to put a proposal on consenteous separation on the agenda. He believes a reply to this proposal should be obtained as soon as possible. So far, all presidents have taken part in the discussion, although they have not yet reached a consensus on which issues are to be given priority. As we have learned, Serbian President Slobodan Milosevic, however, wants the economic situation to be given priority. He demands that the federal government be immediately replaced to prevent an economic collapse. He is also convinced that a different federal government would prevent an economic collapse. The presidents have not discussed the Milosevic-Tudjman talks in Karadjordjevo yet. The future topics of the Split summit will be known later.

Finally, a news conference at which, as we have learned, all presidents of republics and their presidencies will participate, is scheduled for 1800.

Republican Presidents Meet Press

LD2803165191 Belgrade TANJUG in English 1521 GMT 28 Mar 91

[Text] Split, March 28 (TANJUG)—The presidents of Yugoslavia's six republics, who arrived here today for official talks on the settlement of the political crisis and the future organization of the country, gave statements to journalists at Split airport.

Asked about what he can negotiate when Demos (Slovenia's ruling coalition) is demanding the republic's secession, Slovenian President Milan Kucan said that this question should be put to Demos, and not to him.

Montenegro's President Momir Bulatovic is not happy with the constant changing of venues of the presidential leaders' meetings (every time in another republic), but said he would stick to the agreement.

Macedonian President Kiro Gligorov is an optimist regarding the outcome of the talks and hopes that agreement will be reached regarding a joint life in Yugosalvia. He added, however, that Macedonia can survive without Yugoslavia, just as Yugoslavia can exist without Macedonia.

Gligorov said that when Macedonia's turn comes, the meeting of the presidents will be held in Ohrid.

Bosnia-Hercegovina President Alija Izetbegovic also claims he is an optimist, but said that he is aware that

optimists are always the least informed. As his reppublic will host the last in the series of presidential meetings, Izetbegovic said the venue would be Sarajevo.

Serbian President Slobodan Milosevic set out that the talks should be open and democratic, and that the destiny of the country should be decided by the people and not the presidents of the republics.

I am certain that the talks will end in such a way as to enable all Serbs to live in a single state, Milosevic said.

Croatia's President Franjo Tudjman, who hosts today's meeting and who arrived in Split much earlier than the others, said he is optimistic.

Discuss Government's Role

LD2803170191 Belgrade TANJUG in English 1514 GMT 28 Mar 91

[Text] Split, March 28 (TANJUG)—The presidents of the Yugoslav republics discussed the "role and position of the federal organs, especially the federal government," Mario Nobilo, adviser to the Croatian president, said today.

Nobilo addressed journalists in a break in the summit meeting in Split, at which the presidents of the Yugoslav republics are discussing the prospects for overcoming the constitutional and political crisis in Yugoslavia.

Remarking that he was not authorized to reveal details, and in an answer to a journalist's question, Nobilo said no one had mentioned the resignation of federal Prime Minister Ante Markovic.

He also announced a further news conference would be held at 17:00 local time today, but it remains unknown whether all the presidents will face the media or solely Croatian President Franjo Tudjman.

Fail To Resolve Differences

LD2803235191 Belgrade TANJUG in English 2318 GMT 28 Mar 91

[Text] Split, March 28 (TANJUG)—In the first round of their talks held in the central Adriatic town of Split today, the presidents of Yugoslavia's six republics failed to resolve basic differences as to whether the country should be organized as a feeration or a confederation. This is to be inferred from their statements made at a press conference held after the talks.

Slovenia's President Milan Kucan told the Yugoslav and foreign press that the decision on Yugoslavia's future rests entirely upon all its nations, national minorities and citizens.

Serbian President Slobodan Milosevic said that Serbia has no intention of abandoning the federal option, and that the country's future should be decided by all its citizens in a referendum.

President of Croatia Franjo Tudjman said that Croatia and Slovenia insist on an alliance of sovereign states, while Bosnia- Hercegovina President Alija Izetbegovic noted that both options are being given equal consideration.

According to Macedonian President Kiro Gligorov, it was not realistic that the first meeting (of the Republican leaders) should give definite answers to the question of future organization of the Yugoslav community.

Asked if they felt as if they were members of a parallel state presidency and why they had not negotiated within the presidency, Franjo Tudjman said that they were not a parallel presidency of Yugoslavia, but presidents of the Republics which are sovereign under the Constitution.

In answer to the same question, Slobodan Milosevic said he was not against talks being held also within the Yugoslav state presisdency. "These talks cannot have the legimitacy of those of the presidency of Yugoslavia", Milosevic said.

The Republican presidents also discussed changes in the Yugoslav government, it was heard at the press conference. This matter will be discused in greater detail at the next session, it was also heard.

Slobodan Milosevic said that the reform model proposed by federal Prime Minister Ante Markovic has failed. He reproached the government with having stifled domestic production by importing inferior goods, ruined the banking system and destroyed agriculture.

A letter sent by U.S. President George Bush to Ante Markovic today prompted Milosevic to say: "If we are an independent and autonomous state, then we alone must decide about our prime minister and not some foreign powers".

Franjo Tudjman said that Croatia originally supported Markovic's programme, but now faces criticism from the economy that the [words indistinct] rate of the dinar is unrealistic and that the measures being proposed by the federal government are against Croatia's interests.

President Tudjman reiterated he still does not rule out the need for a possible internationalization of the Yugoslav question, particularly due to the situation in the Knin region - Krajina.

Krajina is a region in Croatia predominantly populated by Serbs. With the coming to power of the Croatian Democratic Union (CDU) [HDZ] and the adoption of the new Croatian Constitution, the Serbs have lost the status of nation in the Republic and have responded by unilaterally declaring the autonomy of Krajina.

Tudjman stressed that the constitutional and legal order would be restored in Knin.

According to Slobodan Milosevic, what has happened in Krajina is that the people have organized themselves to protect their interests.

Montenegrin President Momir Bulatovic refuted as misinformation allegations that, at their meeting yesterday, he and Milosevic signed a charter on unification of Serbia and Montenegro. "We neither signed nor have any intention of signing anything", Bulatovic specified.

Bosnia-Hercegovina President Alija Izetbegovic announced that the Republican parliament would soon adopt a declaration of the Republic's independence, even against the will of the Serbian Democratic Party, the second strongest party in the Republican parliament. Similar declarations have already been adapted by the republics of Croatia, Macedonia and Slovenia.

Markovic on Cooperation With Developing Countries

LD2803172891 Belgrade TANJUG Domestic Service in Serbo-Croatian 1305 GMT 28 Mar 91

[Text] Belgrade, 28 Mar (TANJUG)—The process of reforms that Yugoslavia has embarked upon have provided good results, but last fall it was brought to a standstill because of political struggles and confrontations over different options having the same totalitarian ambitions. This was stated in Belgrade today by federal Prime Minister Ante Markovic in his explanation of reasons that brought about the federal government's initiative for consultations on prospects of cooperation between Yugoslavia and developing countries.

Markovic said that Yugoslavia can serve as an example for others regarding how changes in the economic system can be achieved at a minimal price.

We are aware that the reform process is not simple, thus, we need pragmatic solutions, the federal prime minister said. He called for greater efficiency by our economic entities and for powerful expansion in the world.

It is in our interest to work on what can lead to the employment of capacities and people who have been showing competitive ability in the world market so far, he stressed. He added that new development opportunities are opening up for Yugoslavia as a country with high foreign currency reserves, and providing that it obtains funds from the International Monetary Fund.

The Federal Executive Council [FEC] Presidency stressed that Yugoslavia is ready to penetrate the huge developing world area, in which our economic entities are not going to give their work and resources for free, but will work on a selective basis, choosing those partners whom they can trust to meet their financial commitments.

As far as this is concerned, Markovic said, the FEC will help in the processs of "opening doors," while enterprises will have to secure market penetration to secure their own employment and development.

Drop in Foreign Currency Reserves Reported

LD2903111691 Belgrade TANJUG in English 1013 GMT 29 Mar 91

[Text] Belgrade, March 29 (TANJUG)—The Yugoslav foreign [words indistinct] as National Bank of Yugoslavia Governor Dusan Vlatkovic told a news conference on Thursday.

The country's foreign-exchange reserves have dropped by around 900 million dollars since the beginning of the year. However, it is estimated that Yugoslav enterprises and banks keep abroad just as much foreign currency, most likely for speculative reasons, as Vlatkovic said.

Vlatkovic set out that the Yugoslav foreign-exchange market could recover by the end of June this year.

Due to an excessive outflow of foreign currencies from banks in the second half of last year, when Yugoslavs alone purchased 5.6 billion dollars worth of various currencies, the country's foreign-currency reserves dropped from ten billion dollars to 6.7 billion in February this year.

Legislation on Public Spending Cuts Detailed

LD2903112691 Belgrade TANJUG in English 1016 GMT 29 Mar 91

[Vlastimir Ilic report]

[Text] Belgrade, March 29 (TANJUG)—Yugoslavia has for this year introduced legislation cutting public spending down to 34 percent of the country's overall social product, which means that the spending for all public and social needs must not exceed the sum of 395.4 billion dinars or around 40 million Duetsche marks.

Yugoslav Deputy Prime Minister Zivko Pregl has announced the possibility to cut the federal budget by another 100 billion dinars (around 11 billion Deutsche marks) for this year, which is as much as 30 percent down compared to the amount previously made possible by the an earlier "temporary measure" of the federal government.

Restricting public spending is to facilitate the Yugoslav economy the launched adjustments to market condition operations, although it would not markedly alter its position because some of its branches are nearing collapse for the lack of funds. Also, it would make easier the repayment of foreign debt amounting to around 17 billion dollars, while the tranche and interest for this year is around 4.2 billion dollars.

An illustrative example as to just how much of a burden the Yugoslav enterprises were experiencing may be seen in the example of the non-ferrous metal works RTB-Bor, the Republic of Serbia, which the 100,000 tonnes of copper it turns out annually from its own raw materials must set aside as much as 70,000 tonnes to pay up different contributions and dues. [sentence as received]

Thus, this for many years one of the most successful Yugoslav enterprises faced receivership proceedings after a several-month blockade of its account.

In much the same positon is more than 7,000 Yugoslav enterprises (or one in four), as they owe 51.5 billion dinars (or 5.7 billion Deutsche marks).

Apart from an economic, cuts in public spending have also a psychological significance epitomized in the massive state administration and spending habits which were far from thrifty.

The denouement of the Yugoslav economic and political crisis were directly dependent on federal legislation in terms of contributions and dues from the impoverished economy and preserving the minimum of joint functions - until a definitive agreement on the future order of the country was reached. This, apart from implementing other reform legislation, is the main pre-requisite if the much needed new credits are to be obtained.

Along with the new law on cutting public spending (which over the last three months last year reached as much as 40 percent of the value of the social product), the Yugoslav parliament has under summary proceedings adopted two more intervention laws - the law on the social accountancy service and the law on the federation agency for ensuring bank deposits and rehabilitation.

The government's "intervention package" contains seven more new laws and proposals to round off the existing legislation, introducing stricter terms as regards financial discipline on the Yugoslav market.

Poll on Negotiations About Country's Future

AU2303200791

[Editorial Report] Zagreb DANAS in Serbo-Croatian on 19 March on page 17 carries a 600-word report by Dejan Jovanovic on the results of a public opinion poll on the inter-republican negotiations about the future setup of Yugoslavia, entitled "The Agony Was Predicted."

The report does not carry any information about the poll itself except that the sample of 1,000 adult citizens of Croatia is "representative."

The results of the poll are summarized in two tables as follows:

Table 1. "Do you support the stands of the Croatian representatives in the negotiations about the future of Yugoslavia?" (table heading) (a bar chart with figures expressed in percentages)

Yes	65
Partly	18
No	10
There is not enough information about the stands	7

Table 2. "How will the talks about the future of Yugoslavia end?" (table heading) (a bar chart with figures in percentages)

1. Negotiations will be stopped due to secession of one or more republics	47
2. A confederal agreement will be signed	23
3. An agreement will be reached on peaceful dissociation	21
4. Yugoslavia will remain a federation	9

Poll on Military Service in Croatia

AU2603164291

[Editorial report] Zagreb VJESNIK in Serbo-Croatian on 20 March on page 6 of its VJESNIK Wednesday Supplement carries a 500-word report on the results of the paper's poll on the Yugoslav People's Army, entitled "Croatian Rifles on Croatian Shoulders."

According to the report, the poll was "carried out between 14 and 17 March by telephone and was based on the replies of 460 respondents from Croatia."

The results of the poll are summarized in two pie and two bar charts as follows:

1. Table 1. "Should we disband the Yugoslav People's Army and establish republican armies?" (table heading) (a pie chart with figures expressed in percentages)

1. Yes, we should	64.35
2. No, we should not	23.91
3. I do not know	11.74

Table 2. "Should the persons who refuse to carry weapons and wear uniform for religious or other reasons be enabled to do civilian instead of military service? (table heading) (a bar chart with figures in percentages)

1. Yes	80.87
2. No	11.74
3. I do not know	7.39

Table 3. "What kind of relationship should exist between officers and parties?" (table heading) (a bar chart with figures in percentages)

1. Parties should be enabled to exist in military barracks	08.04
2. Officers can be members of parties, but parties should not be allowed to operate in barracks	33.91
3. Officers should not be members of political parties while on active service	46.09
4. Do not know	11.96

Table 4. "Where should recruits do their military service?"

1. All recruits should do their military services in their own republic	78.04
2. All recruits should do their military service outside their own republic	3.91
3. More than half of recruits should do their military service in their own republic	6.74
4. Less than half of recruits should do their military service in their own republic	0.22
5. Things should stay as they are	10.65
6. Do not know	0.43

Republican Leaders Urge Democratic Solutions

LD2803201791 Zagreb Domestic Service in Serbo-Croatian 1913 GMT 28 Mar 91

[Statement read by Croatian President Franjo Tudjman at news conference of republican presidents in Split—live]

[Text] Ladies and Gentlemen: Let me first of all apologize for keeping you waiting, but we have had, as you can see, a strenuous day. Therefore, our statement will be rather short. I am going to read out the statement, and then you will also be able to ask questions based on it.

Having examined the current political situation in Yugoslavia, which was brought to a high state, political, and economic crisis as a result of the violation of constitutional and legal order in the SFRY; following the adoption of new constitutions in the republics of Serbia and Croatia, the declaration of the Macedonian Assembly, and adequate constitutional changes in other republics; and bearing in mind the international position of Yugoslavia, the republican presidents have agreed that the solution of the state and political crisis in Yugoslavia should be achieved on the basis of recognition of civil and national rights in a democratic way, through negotiations.

Yugoslavia is a state community of equal nations within internationally recognized borders, and its state order can be changed only on the basis of the right of each nation to self- determination, including the right to secession. Republican presidents call on all citizens and all political organizations to respect and strenghthen the established democratic and legal order in our repubics and also to respect the constitutional order of the SFRY until it has been changed in a democratic and constitutional way. In this difficult period it is necessary to do everything to find a way out of the socio-political and economic crisis.

Republican presidents expect support from the international democratic public, given the undoubted and genuine orientation toward securing a peaceful and democratic solution to the crisis in Yugoslavia. Republican presidents have agreed to continue their mutual talks, and also those within the SFRY Presidency in accordance with its constitutional role. They maintain that for the solution of certain open questions of common interest it is necessary to set up expert commissions; differences in concept that exist and that relate to the character of a possible future community will be the topic of further examinaiton at forthcoming republican presidents' summits.

This concludes the statement. We are at your disposal.

Croatia Reports Currency Ready for Circulation

LD2903091191 Belgrade TANJUG Domestic Service in Serbo-Croatian 0838 GMT 29 Mar 91

[Text] Zagreb, 29 Mar (TANJUG)—"Croatian Currency Already in Treasury" is a headline in today's issue of VECERNJI LIST, of Zagreb. The daily cites Croatian Vice President Franjo Greguric, who revealed to Croatian businessmen that the Croatian currency has already been printed, stored in the treasury, and "will be used when needs arises."

According to VECERNJI LIST, Croatia will issue its new currency "if the Yugoslav crisis is further exacerbated and a new Yugoslav agreement is not reached."

Dvor na Uni Municipality To Leave Croatia

LD2803190391 Belgrade TANJUG Domestic Service in Serbo-Croatian 1723 GMT 28 Mar 91

[Text] Dvor na Uni, 28 Mar (TANJUG)—Deputies of all three chambers of the Dvor na Uni municipal assembly, in a secret ballot at today's joint session, adopted a decision on the separation of the municipality of Dvor na Uni from the Republic of Croatia. Out of 40 deputies, 35 voted for separation, three were against, while two ballot papers were invalid.

In the lengthy debate that preceded this, the views of Serbian Democratic Party deputies were opposed by several deputies from the ranks of the League of Communists-Movement for Yugoslavia, who took the view that there should be a delay before adopting the decision.

In addition to this, the assembly also adopted a decision on the formation of "unarmed units of Serbia national protection." The request of the Croatian Ministry of Education and Culture for the annulment of the decision of this assembly concerning the use of language and script in primary school and vocational education in the region of the municipality was rejected. Instead of the abolition of its earlier decision on this, the deputies only adopted a decision to change their decision on the name of the language. Consequently, this decision now says that the Serbo-Croatian literary language is in use in the area of Dvor na Uni, while Croats in the municipality use Croatian.

Milosevic Authorized To Proclaim Emergency

LD2803212191 Belgrade TANJUG in English 2046 GMT 28 Mar 91

[Text] Belgrade, March 28 (TANJUG)—The parliament of the Yugoslav Republic of Serbia today adopted a law authorizing the republican president to impose a state of emergency at the government's recommendation.

Under the law, a state of emergency may be proclaimed if there is a threat to the republic's security and sovereignty, the operation of the state organs, elementary functions of the economy and human rights.

Opposition deputies voted against the law, maintaining that it restricts basic human rights and amplifies the republic's constitution.

The opposition also maintains that the law leaves parliament powerless in these critical times.

Serbian Assembly Adopts Public Information Law

LD2803165891 Belgrade TANJUG Domestic Service in Serbo-Croatian 1616 GMT 28 Mar 91

[Text] Belgrade, 28 Mar (TANJUG)—After a six-hour debate the People's Assembly of Serbia has adopted the law on public information with five votes against and one abstention.

The main provisions of this law are: free public information, ban on censorship, and abolition of publishing and program councils. Everyone will be allowed to start newspapers, radio, or television.

Public Information Act Analyzed

LD2803230891 Belgrade TANJUG in English 2107 GMT 28 Mar 91

[Text] Belgrade, March 28 (TANJUG)—Public information in Yugoslavia's Republic of Serbia is free, censorship banned, and everybody can launch newspapers or found radio and TV stations—the main provisions of a law on public information enacted by the republican assembly today state.

The law abolishes the editorial and programme councils - channels through which the authorities exerted influence on the editorial policies of newspapers, radio and tv stations.

The law specifies that the media, without exception, must inform truly and timely, while the media financed out of the republican budget must follow a supraparty programme concept. It also says that the activities of radio and television in Serbia will be regulated by a special law.

A majority of the about 30 speakers taking part in a six-hour debate before the vote described the bill as, on the whole, a step forward in democratizing information. Many objections were raised and proposals for improvement made before the bill was carried with only five deputies voting against and one abstaining.

Demands for a new law on information in Serbia were being made already in the election campaign last year, when the opposition parties accused the ruling Socialists of barring them from the media.

Demands for the freedom of the press were (word indistinct) pronounced in the opposition demonstrations in Belgrade on March 9, when a policeman and a teenager were killed, and over 80 people injured.

Also, the freedom of the press and the media in general was among the demands voiced during the student demonstrations in Belgrade from March 11 though 14 this year.

Serbian Ruling Party, Opposition Hold Meeting

AU2803220591 Zagreb VECERNJI LIST in Serbo-Croatian 26 Mar 91 p 4

[Text] Are we witnessing a major pan-Serbian reconciliation between the authority, the opposition, and people from the shadows of the Serbian political establishment, who are in a way an institution themselves? Namely, a secret, closed meeting was held on the premises of the Association of Serbian Writers yesterday afternoon. The meeting was attended by Vuk Draskovic, Dr. Dragoljub Micunovic, Matija Beckovic, Dobrica Cosic, and many other prominent Serbian intellectuals, on the one hand, and academician Mihajlo Markovic, the "ideologist" of the Socialist Party of Serbia and one of Milosevic's closest associates, on the other.

We can only speculate on the nature of the proposals that Markovic brought to this meeting in the name of the ruling party. Because the talks will be continued, it is believed that they concern Milosevic's not at all gentle talks with students, during which he said the Serbian government may be restructured because its mandate need not be four years.

Democratic Party Rejects Belgrade Report

LD2803190991 Belgrade TANJUG in English 1816 GMT 28 Mar 91

[Text] Belgrade, March 28 (TANJUG)—The Democratic Party, the second-biggest opposition party in the Yugoslav Republic of Serbia, said today it would withdraw its deputies from the republican parliament if the "one-sided, incomplete and thus also unauthentic" report by the parliamentary commission set up to inquire into the March 9 demonstrations in Belgrade was not withdrawn and replaced by a new one.

Parliamentary deputy Zoran Djindjic, one of the party's leaders, said at a news conference that its deputies would demand that a new report is drafted by a new parliamentary commission with one-half of its members from the ranks of the opposition.

The Serbian Parliament is scheduled to discuss tomorrow the report about the March 9 demonstrations drafted by an 11-member commission made up of eight

members of the ruling Socialist Party of Serbia (SPS) and only three members of the opposition.

On March 9, a banned opposition protest in Central Belgrade turned into clashes between police and demonstrators in which two persons were killed and over one hundred injured.

Djindjic indicated that new demonstrations would be held if the resignation of Republican Interior Minister Radmilo Bogdanovic was not placed on the agenda of the Serbian Parliament's session.

Asked why the democratic party's representative on the commission had signed the report, Djindjic said the party was not behind him.

Describing the report as a "milder form of the report issued by the Serbian Interior Ministry," Djindjic said it impermissible that there was no consideration in it of demonstrators' accounts and statements.

Emphasizing that some characteristrics of the conduct of the police had not been presented, Djindjic said the excessive irritability of the protesters could have been the consequence of what he called the nerve gas used against them. He said some cartridge cases found during the demonstrations, which bore the inscription "CS," were asserted to have contained tear gas.

Democratic Party Vice-President Vojislav Kostunica said that in his opinion the police in Belgrade and a number of other Serbian towns had behaved on March 9 as if an unofficial state of emergency was in force. He said it was a mistake for the parliamentary commission to undertake a police and criminal investigation instead of providing an answer to the question if the constitution and the law permitted the banning of public gatherings.

Slovene Assembly Approves Defense Law

LD2903043891 Belgrade TANJUG Domestic Service in Serbo-Croatian 1336 GMT 28 Mar 91

[Summary] Ljubljana, 28 Mar (TANJUG)—After wading through almost 140 amendments to the Draft Republican Budget and the Law on Defense and Protection, all three chambers of the Slovene Assembly separately approved both these acts, with amendments. The total budget is about 68 billion dinars.

"The Law on Defense and Protection regulates the organization and activity of this field in the transitional period, pending the affirmation in the new republican constitution of the necessary changes both in the political and economic system. The law enables the government to annul all federal regulations now regulating this field. It also sets out that only the Slovene Presidency can decide on measures of the state of preparedness in Slovenia and mobilizations.

"The law also determines that the activity and organization of territorial defense is entirely within the competent authority of the republic. One of its significant provisions is the request for complete depoliticization, which means that employees in territorial defense should not be members of political organizations."

Bosnia-Hercegovina Unionist Strike Threat

LD2803192991 Belgrade TANJUG in English 1828 GMT 28 Mar 91

[Text] Sarajevo, March 28 (TANJUG)—President of the trade unions of the Yugoslav Republic of Bosnia-Hercegovina, Sulejman Hrle, today threatened to call a general strike of warning unless the republic's top officials appear on television to explain to the people what is happening to the economy. Striking Bosnia-Hercegovina high school teachers continue to stay away from work and classes have been cut short. The teachers' demand for their overdue wages will be discussed by the Republican government.

The workers of the textile plant Kljuc of Sarajevo, also said they would go on strike, demanding their January and Febuary wages and threatening to gather in the center of Sarajevo (capital of Bosnia-Hercegovina).

Loncar on Cooperation With Developing Countries

LD2803150891 Belgrade TANJUG Domestic Service in Serbo-Croatian 1239 GMT 28 Mar 91

[Text] Belgrade, 28 Mar (TANJUG)—It is an imperative for Yugoslavia to participate as actively as possible in the international economic and political processes especially in view of its role in the Nonaligned Movement. This was said today by Federal Secretary for Foreign Affairs Budimir Loncar when he opened a consultative meeting on prospects for developing cooperation with the developing countries. The meeting is taking place at the headquarters of the Yugoslav Bank for International Economic Cooperation (JUBMES).

Speaking to representatives of federal and republican services and organizations, the economy, science, culture, education, and information media, Loncar said that Yugoslavia has to improve its performance within the world economic processes and to secure its place in the center of world development. He went on to stress that the orientation to a more efficient integration in European economic processes does not contradict our efforts to further develop relations with our traditional partners in developing countries.

International institutions (the World Bank and others) have also been developing orientation to developing countries, the federal secretary for foreign affairs said. He added that, in view of development prospects in the developing countries and the competitiveness of Yugoslav firms, Yugoslav economic entities have an opportunity to take an active part in the reconstruction of the countries destroyed in the Gulf war and of some other regions which have been attracting world investors.